

# EXPLORING GUARANTEED INCOME THROUGH A RACIAL AND GENDER JUSTICE LENS

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## INTRODUCTION

Race- and gender-based wealth inequities are two of the greatest failures of the American economy. Economic policy choices and practices put forth by those in power, such as the GI Bill and redlining, created wealth-building opportunities for white men but established barriers for everyone else. Implemented in tandem with the rise of corporate power by which profit is revered over people, these racist policies have resulted in racial and gender economic stratification that have reached epic heights. Today, approximately 160,000 households in America own more wealth than the poorest 90 percent combined—the highest concentration of wealth since 1962 (Igraham 2017).

***Race- and gender-based wealth inequities are two of the greatest failures of the American economy.***

Without bold, visionary action and policies to address these issues, the chasm between those who are economically secure and those who are not—mainly Black, brown, and Native American communities and women—will continue to grow, ultimately threatening our nation’s ability to finally achieve our promise of freedom, dignity, and security for all.

A growing group of progressives is committed to tackling racial wealth inequities head on (Newkirk II 2019). Once seen as fringe, “pie in the sky” ideas, a number of seemingly progressive economic policies have entered the public discourse, including a government-funded cash benefit program. Often referred to as “guaranteed income,” this big idea is a no-strings-attached direct cash benefit from the government that would provide a basic floor of living regardless of employment status or income by offering people a regular cash payment (Marinescu 2017).

**With that context, this issue brief will explore to what extent and under what type of design a program that is usually discussed as a way to boost regular incomes could make a dent in racial and gender *wealth* inequities.**



In the past, bold economic policies—such as those enshrined in President Franklin D. Roosevelt’s New Deal—have paved a pathway to economic security for white families and individuals while creating barriers to well-being for people of color and women. Given that history, and the extent to which recent economic rules have reinforced historical inequities, we must ask a key question of any economic policy put forth today: How would this effort rectify historical, racially exclusionary policies and increase access to wealth, economic stability, and freedom for women and people of color?

By tackling wealth inequality, we can ultimately put America on the road to greater racial and gender economic justice. Income is crucial for building wealth, but efforts to improve incomes alone will not close gaps in wealth along racial and gender lines. As such, we also need to consider how anti-Blackness, xenophobia, and sexism have rigged the rules of our economy to deny certain populations equal access to prosperity and liberation. This will enable us to have a more comprehensive discussion about intersectionality and the numerous issues that need to be addressed—in addition to boosting incomes—in order to create the conditions where everyone in the US truly has the ability to build wealth and thrive.

This paper proposes a multi-pronged approach to designing a guaranteed income policy that includes:

- Dismantling narratives that dehumanize Black and brown people and question their deservedness to receive public assistance;
- Eliminating state-sponsored wealth extraction through our criminal justice system; and
- Establishing a truth and reconciliation process in the US.

Incorporating these elements into a no-strings-attached cash benefit for *all* residents can create the conditions that are necessary for true gender and racial economic justice to be achieved.

## **WEALTH: THE TRUE INDICATOR OF ECONOMIC STABILITY**

Wealth—i.e., what one owns minus what they owe—is the most important indicator of an individual’s or family’s economic position. Wealth is comprised of income, savings, and assets, such as property and non-liquid assets, as well as debt owed. Wealth is the money you draw upon in a case of an emergency, such as an immediate car repair, unforeseen medical cost, or a natural disaster.



Wealth is used as both a safety net and a generator of more wealth. When wealth is passed on from one generation to the next, it crystalizes economic security from one generation to the next. Wealth makes it possible for people to purchase a home, avoid student loans by paying for education outright, or start a business. Without wealth or access to significant social capital, individuals have no safety net to fall back on. Wealth is often stripped or extracted from families—particularly families of color—through practices like unpaid labor, depressed property values in certain neighborhoods, criminal justice fines and fees, and student or medical debt.

***When wealth is passed on from one generation to the next, it crystalizes economic security from one generation to the next.***

In addition to the massive concentration of wealth held by a select few mentioned at the start of this brief, the differences in wealth between white Americans and people of color is at its highest level in 25 years (Kochnar and Fry 2014). In 2016, the typical white household held \$171,000 in wealth—*10 times* that of the typical Black household, and about *8 times* that of Latinx households (Kochnar and Cilluffo 2017).

Wealth inequities also exist along the intersections of race and gender; disparities in wealth accumulation are a result of historic and present-day barriers that people of color and women face when trying to build wealth and achieve economic security and prosperity. The median wealth for single men in the US is \$10,150, compared to \$3,210 for single women (Chang 2015). Breaking this down further by race/ethnicity, we find that single Black and Latinx women have a median wealth of \$200 and \$100 respectively, compared to \$28,900 for single white men (Chang 2015).

## **THE DRIVERS OF WEALTH INEQUITIES BY RACE AND GENDER**

When designing any policy—including a guaranteed income—to ensure that it promotes racial and gender wealth equity, it is imperative to understand the history of wealth accumulation in the US. Specifically, we must acknowledge and account for who has been given access to wealth building opportunities and who has been, and continues to be, denied.



## Historical Policies and Practices

Our nation has a troubled and lengthy history of rules that have driven today's racial and gender wealth disparities. It is not, as we are too-often led to believe, personal behavior or individual choices that are the root causes of the economic stratification we see today; rather, it is a result of the systemic exclusion of wealth building opportunities for women and people of color. These exclusions can best be seen through specific time periods, including our nation's founding, the Reconstruction and Jim Crow periods, and the New Deal era, but they are also reinforced through present-day policies or lack of policies that ensure equity (Flynn et al. 2017).

America's legacy of stealing land from Indigenous communities and enslaving Black people from other parts of the world underpin present-day wealth inequities: The denial of humanity to Black and Indigenous communities from the earliest days of our nation, and the systematic blocking and stripping of wealth from these communities, led to the accumulation of wealth for white people—and for the country more broadly.

The end of the Civil War brought forth the Reconstruction era that moved the needle on racial equity, albeit for a fleeting period of time. Reconstruction was met with a fierce backlash that ushered in the Jim Crow era and a wave of new rules that systematically and legally excluded Black people—along with other people of color including Native Americans—from many social and economic opportunities, all while sanctioning separate and superior public facilities for white Americans. Notably, Black people were not allowed to live in white neighborhoods and were often denied voting power. This allowed for white communities to have access to well-funded schools and neighborhoods along with bank loans and other public and private aid institutions; inferior, underfunded, and sometimes no such facilities were offered to Black Americans. This reality further entrenched economic separation between white people and people of color in the US.

The New Deal era greatly expanded pathways to economic mobility and security for white Americans, but it also erected more barriers for people of color. During the early days of New Deal negotiations, FDR made a political compromise to appease Southern Democrats and agreed to exclude agricultural and domestic workers—who were predominantly Black and Latinx—from being eligible for a range of benefits.

The exclusions baked into the New Deal reinforced the inequities we see today. In 1935, the Social Security Act was created, but the early exclusions prevented many workers of color from receiving retirement benefits, even though they paid into it. This played a significant role in preventing workers of color from using their income to generate wealth and assets. In 1937, the Federal Housing Authority (FHA) became the first federal agency to openly



advocate and support segregation between races, openly refusing loans to people of color, which curtail these communities' ability to buy homes and restricted the neighborhoods in which they could live—all barriers to home ownership, which has been one of the most significant mechanisms for building wealth in the United States. In the 1940s, the largest federal public benefits program in history came about in the form of the GI Bill, a program that paid college tuition and gave low-interest home mortgages to returning veterans, ultimately providing a low-cost route to wealth creation. However, discrimination in college admissions and housing markets prevented most soldiers of color from using the GI Bill, which thus prevented an accumulation and transfer of wealth to future generations.

Sexism and misogyny that are baked into our history and policy implementation have led to gender wealth inequities. Historic policies denied women the ability to own property on their own or have property passed onto them, single women were not allowed to secure loans, and they were restricted in their ability to earn advanced degrees and improve their career prospects (Kijakazi and McCulloch 2018). Women have also been systematically paid less for the same jobs. In fact, a 2018 Hired.com report on wages in the workplace found that men were offered a higher salary than women for the same job at the same company 63 percent of the time (Hired.com n.d.). The report further noted that Black and Latinx women are consistently offered lower salaries than white men. Additionally, pay inequity plagues Millennial women: In 2013, the median income for Millennial women was \$30,000 compared to \$35,000 for men (Institute for Women's Policy Research n.d.).

Occupational segregation also plays a significant role in furthering gender inequity as it pushes women, particularly women of color, into lower paid industries and jobs (Bhattacharya, Price, and Addo 2019). The National Women's Law Center recently reported that while women make up about half of the American workforce, they comprise 70 percent of employees whose jobs paid less than \$10 per hour (Tucker and Patrick 2017). Given that income is one of the primary factors in building wealth, pay inequity and occupational segregation mean that women own less wealth than men in the 21st century.

## **A Guaranteed Income Is Rooted in Racial and Gender Justice Movements**

As a means to address economic and racial injustice, a guaranteed income has a notable history of being uplifted by racial justice advocates and movements.

We must acknowledge that the legacy of a guaranteed income is inextricably linked to racial justice. Looking at historical precedents, much attention is focused on the Black Panther Party's 1966 10-point platform, which called for offering every person employment



or a guaranteed income. Dr. Martin Luther King Jr., also called for a guaranteed income, outlining his own proposal in his final book, *Where Do We Go from Here: Chaos or Community?*

Much less attention has been paid to the role that the National Welfare Rights Organization (NWRO) played in advancing a guaranteed income, which reached over 100,000 members at the organization's peak. The NWRO focused primarily on racial, gender, and economic justice. Many NWRO members were Black women who moved north from the sharecropping south and faced widespread employment discrimination. They clearly understood that their status as public assistance recipients was tied to being seen as laborers, rather than hard-working mothers, who were nonetheless deemed unworthy and undeserving of any assistance. They challenged the stigma of welfare and insisted that a decent standard of living was a right—one that should not be tied to waged work—while also emphasizing the work and value of caregiving.

Movements such as these understood the potential that a guaranteed income had, and we owe it to ourselves—and to those who came before us—to understand how a guaranteed income needs to be designed in the 21st century in order to finish what began generations ago.

## **How Wealth Is Extracted through the Criminal Justice System**

While there are many drivers of wealth extraction from communities of color, mass incarceration and the criminalization of poverty are often overlooked and understudied as wealth-stripping mechanisms.

In the 1990s, politicians pushed a number of “tough on crime” policy measures into law, leading to unprecedented investments in new prison infrastructure and the expansion of the private prison business sector. What followed was a dramatically sharp increase in prison populations—despite the fact that crime rates were declining—in an effort to self-justify the massive build out of prisons along with a distinct and profit-driven effort to fill prison slots (Equal Justice Initiative n.d.). The US prison population expanded from 220,000 persons in 1972 to 2.2 million persons in 2014 (Equal Justice Initiative n.d.). Over-policing in communities of color lead to higher, disproportionate arrest rates for Black, Latinx, and Native American communities, and pervasive racism within our criminal justice system result in higher incarceration rates for Black and brown people (Hartney and Vuong 2009). As a result, Black and brown communities have been, and continue to be, the most negatively impacted by the push for mass incarceration in the US (Alexander



2010). As noted in a recent Pew Research brief, “In 2016, Black [American]s represented 12 percent of the US adult population but 33 percent of the sentenced prison population. White [American]s accounted for 64 percent of adults but 30 percent of prisoners. And while Hispanic [American]s represented 16 percent of the adult population, they accounted for 23 percent of inmates” (Gramlick 2018). Native Americans are 1.5 times more likely than white Americans to be arrested, and they are incarcerated at 2 times the rates of their white counterparts (Hartney and Vuong 2009).

Incarceration radically undermines a person’s capacity to build wealth. This is due to the loss of income and job growth opportunities during time spent in prison. Additionally, there is difficulty in finding steady, high-quality employment upon release due to state and local legal barriers, employer bias towards people with criminal records and convictions, and continued systemic burdens such as continued supervision placed on the formerly incarcerated.

The continued push towards mass incarceration is closely tied to the movement to criminalize poverty through local and state fines and fees. Since 2010, over 48 states have either increased their criminal fees or adopted new fees (Shapiro 2014). In North Carolina, fees have risen by 400 percent, leading to the startling fact that 20 percent of people incarcerated in a county jail in North Carolina are there for failure to pay their fines and fees debt (Hunt and Nichol 2017). *The Ferguson Report*, written by the US Department of Justice (DOJ) in the aftermath of the police shooting and death of Michael Brown in Ferguson, Missouri, brought national attention to the unconstitutional and discriminatory impact of the practices and priorities held by local government. Local law enforcement agencies and the courts engaged in patterns that systematically targeted communities of color, essentially using community residents as cash registers to fund the municipal budgets through fines and fees related to non-violent offenses, such as traffic violations, loitering, sleeping on the sidewalk, and other causes for ticketing (US Department of Justice 2015). The DOJ deemed these acts to be unconstitutional.

Ferguson was representative of the systemic racism prevalent in many other municipalities: Over-policing of communities of color has led to disproportionate rates of stops and arrests of people of color, forcing these communities to pay exorbitant fines and fees and extracting their wealth—and in many cases driving them into debt (Bingham et al. 2016).

Additionally, even if women are not the ones being arrested and/or fined, they are the ones primarily paying the fine, fee, or bail money for their sons, grandsons, brothers, partners, uncles, and other family members (deVuono-powell et al. 2015). 63 percent of court-related costs were paid for by family members outside of the system, and 80 percent of these family members were women. Further, close to 90 percent of costs for phone calls and visits to an



incarcerated person are incurred by women (deVuono-powell et al. 2015). This creates an additional financial burden to the layers of economic insecurity women of color already experience from race and gender discrimination in the labor market.

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These practices and the crusade towards mass incarceration and criminalization of non-violent crimes effectively strip wealth from Black and brown women and communities. In many cases, these realities prevent people of color from building wealth at all. It is clear that any policy discussion about a guaranteed income must both address the historic barriers placed on women and people of color to build wealth and eliminate current wealth-extraction policies that are reinforced by current governmental policies. Putting money into people's pockets through government interventions won't mean anything if that money is taken by the government with the other hand.

## **GUARANTEED INCOME MODELS**

As the conversation around a guaranteed income has gained traction in the US, there has been much discussion around the best way to implement such a cash benefit. The main purpose of the policy is to prevent or reduce poverty and increase equality. Currently, different models and ideas have been circulating, which span from everyone receiving the same benefit amount to a more progressive, tiered model where the stipend is varied based on factors, such as income, wealth position, and/or race (Warren 2017a). Other implementation considerations include the timing of the cash benefit (i.e., whether it be a monthly installment or annual benefit) and the idea of disbursing payment through an existing tax system like the earned income tax credit (EITC). A brief exploration of the different models follow, along with the pros and cons of each through a wealth-equity lens.





GUARANTEED INCOME MODELS						
	Unconditional	Economic agency	Buffer against income volatility	Allows for wealth accumulation for low-income communities	Can cover large, up-front expenses	Addresses racial wealth inequities
Monthly installments	✓	✓				
Annual lump sum	✓	✓	✓		✓	
Universal + basic income	✓	✓	✓	✓	✓	✓

It is important to note some important assumptions about these policies. One is that all of these models would include every member of society, including those who have been involved in the criminal justice system, all permanent residents regardless of immigration status, and the unemployed/underemployed. These basic tenants are non-negotiable when bringing an equity lens to the guaranteed income conversation. Another important assumption is that a guaranteed income policy would live in conjunction with—and not replace—most of our present day social safety net programs. This is not necessarily a standard assumption among advocates of a guaranteed income, but it will be critical to ensure that the guaranteed income program is both progressive and will achieve wealth building in communities that have historically been excluded from such opportunities. However, there may be some existing programs which are paternalistic towards the poor—e.g., food stamps—that might better serve these goals by changing them to unrestricted cash.

### Monthly Installments

Perhaps the most common model of a guaranteed income disbursement is an equal monthly payment given to all families across the board. Beneficiaries would receive a set monthly amount, which is generally talked about in the \$500-1000 per month range. Monthly benefits allow families to budget and plan for the cash benefit on a regular basis. Payment is



unconditional with no strings attached, meaning it would come regardless of employment status; no conditions would be placed in order to receive the benefit or restrictions placed on its use.

MONTHLY INSTALLMENTS MODEL						
	Unconditional	Economic agency	Buffer against income volatility	Allows for wealth accumulation for low-income communities	Can cover large, up-front expenses	Addresses racial wealth inequities
Monthly installments	✓	✓				

While the universality of the benefit is very attractive to many, the effects of the benefit greatly depend on where a family sits in the economic ladder. For single mothers and families of color who disproportionately live paycheck to paycheck (Bhattacharya and Price 2018) and struggle to make ends meet, a monthly installment allows them to use the cash benefit as a way to pay for basic household costs, such as rent, food, and utilities. It can serve as a buffer in times of income volatility due to circumstances out of their control like a change in shift hours or a cut in pay. It can also provide a sense of agency to low-income families—a feeling often reserved for those in higher income brackets.

An unconditional cash benefit allows people to make the best decisions for themselves and/or their families on how to spend the money, rather than solely suffer through a paternalistic, means-tested public benefit that often strips dignity and aims to control behavior. Unconditional cash gives the message that we actually trust people and doesn't restrict people's behavior in the ways that many other public benefit programs do. These gains should not be taken lightly.

However, expecting that these families could use the benefit towards wealth accumulation is a stretch, as the most likely scenario is that the benefit will help people meet a basic standard of living that their current incomes do not allow them to do. Low-income families are battling low wages that do not allow them to meet the actual costs of living, are in jobs that do not pay benefits, and bear the brunt of criminal justice fines and fees. Without addressing these factors, a monthly cash benefit can only go as far as meeting the basic human needs that our government currently fails to guarantee, and it will not help low-income families build wealth.



In comparison, for families that are already able to meet their basic needs, an additional cash benefit affords them the choice to spend the benefit on things like vacations, healthier food, or to put some money towards savings. This allows them to either add to or start some wealth accumulation. Families in this income bracket may be able to breathe a little easier knowing that they have the supplemental income to fall back on in times of an unexpected emergency.

***A monthly cash benefit can only go as far as meeting the basic human needs that our government currently fails to guarantee, and it will not help low-income families build wealth.***

For higher income families who already have established wealth, the benefit adds to their overall wealth, perhaps exacerbating current wealth inequities even further. Recent proposals to fix the lopsided tax system by taxing the super rich at a higher percentage could be one way to address this concern.

### Annual Lump-Sum Payment

Another model of disbursement is to provide an equal, one-time annual lump-sum payment to families. Instead of giving smaller payments monthly, this model provides one large contribution that is given to beneficiaries at a certain point in the year, generally in the \$6,000-12,000 range. This payment would remain unconditional, and the pros remain the same in this model as in the monthly payment in terms of the sense of agency low-income families feel in being trusted to use the money to their own discretion.

ANNUAL LUMP-SUM PAYMENT MODEL						
	Unconditional	Economic agency	Buffer against income volatility	Allows for wealth accumulation for low-income communities	Can cover large, up-front expenses	Addresses racial wealth inequities
Annual lump sum	✓	✓	✓		✓	



The Alaska Permanent Fund—a state-owned investment fund that pays Alaska residents an annual dividend out of investments from taxes on oil companies that operate in the state—is the best present-day model of such a program in the US. Since 1982, the fund has sent an annual dividend check to every Alaskan resident. In recent years, the dividend has proven to make a marked, positive difference in the lives of Alaskans with over 80 percent of Alaskans reporting that the fund has improved their quality of life (Isenberg 2017). Studies also show that over 70 percent of Alaskans would prefer to raise taxes to keep the dividend rather than lose the benefit all together (Coren 2018).

Given that people have to wait for the payment and that bills generally need to be paid on a monthly basis, a yearly disbursement doesn't really help with daily life expenditures in the way that a monthly benefit does. For low-income families that really need that extra monthly support, this model may not be most effective at meeting their immediate needs. Instead, as seen in the Alaska Permanent Fund, people have been using an annual stipend to pay off large amounts of debt like medical bills or education loans, or, depending on the amount, can finally afford a major expense such as a much-needed house repair. Annual lump sums could also allow families to pool their resources together to put a down payment on a house or collect the capital needed to start a new business. Essentially, the larger annual amount could help families and communities come together to invest in some type of asset-creating venture.

In short, for families who do not earn enough to put away anything in a nest egg, this type of lump-sum payment can come in handy to pay for a major expense. For others, it will again, add to their already established savings, thus exacerbating the difference in wealth accumulation between those who have some wealth to pull from those who have little to none.

### **Earned Income Tax Credit (EITC) Expansion**

EITC expansion is making headway in many states, and many see it as a plausible stepping stone toward a guaranteed income policy. Managed through the tax code, the EITC is a tax credit designed as a cash refund to low- to moderate-income families with children. Several states are looking to expand who can qualify for this credit by raising the income threshold for qualifications to include caregivers, students, and couples who don't have children (Economic Security Project 2018). Advocates estimate that qualifying families could receive a credit up to \$1,200 annually (Economic Security Project 2018).

More cash in people's pockets is always a great benefit to low-income families, and many advocates are calling for EITC to be dispersed monthly, which, as described above, can



provide much-needed support to help families meet their basic needs. Additionally, EITC expansion would only benefit families at the low end of the income ladder, rather than providing a blanket stipend to all families.

It is difficult to ascertain how EITC expansion on its own can address racial and gender wealth inequities. It is true that a large percentage of those who will qualify for the expansion are families of color. However, the amount of the credit along with the fact that the credit will most likely be used to cover basic life expenses point to the conclusion that while EITC expansion is greatly needed, it will probably not make a dent in curbing racial or gender wealth inequities. A larger benefit needs to be considered in order to help those with little to no wealth to actually begin accumulating wealth.

Another drawback to the EITC is that it also excludes those who may not be a part of the federal tax system. There are many people who choose not to file taxes for numerous reasons. For example, many workers are part of the informal economy, including those who have been formerly incarcerated and can't find traditional work due to employer discrimination as well as people who cannot afford to have their paychecks garnished by the government to pay off unjust criminal justice debt. Also, about half of our undocumented population don't file or pay federal income taxes as many live in constant fear of interacting with the government in any way (Campbell 2017). For these reasons, EITC expansion should be considered a great tool to alleviate abject poverty, but it does not take us far in the discussion of racial and gender wealth equity.

### Universal + Basic Income Model

The universal + basic income model is a tiered guaranteed income proposal, which accounts for the fact that Black people have faced systematic barriers to economic prosperity throughout US history. Conceived by Community Change President Dorian Warren, this model calls for an additional payment to be dispersed to Black families on top of the standard benefit given to all families over a period of time (Warren 2017b).

UNIVERSAL + BASIC INCOME MODEL						
	Unconditional	Economic agency	Buffer against income volatility	Allows for wealth accumulation for low-income communities	Can cover large, up-front expenses	Addresses racial wealth inequities
Universal + basic income	✓	✓	✓	✓	✓	✓



The “plus model” acknowledges that the wealth created in the US is inextricably linked to Black labor, sweat, and tears, and this community has never received the benefits created from that labor. Due to persistent racial discrimination, Black unemployment consistently remains double that of white unemployment, and, as noted before, Black people are dramatically over represented in our criminal justice system due to over-policing and surveillance in Black neighborhoods.

It is clear that the UBI + model is the closest implementation we currently have that could make a dent in racial wealth inequities. Given that Black families would receive more money than other communities, it begins to account for the centuries of disinvestment and discrimination Black communities faced, and continue to face, in the US. The plus model does not account for gender wealth inequities, but we can build on the premise of this model when assessing the implementation of a guaranteed income. We will also need to ensure that other wealth-stripping policies through the criminal justice system and other municipal debts that are racialized are eliminated.

***It is clear that the UBI + model is the closest implementation we currently have that could make a dent in racial wealth inequities.***

## **RECOMMENDATIONS—IT’S BIGGER THAN POLICY**

There is still more to be learned and documented about how to design the best guaranteed income policy in order to advance greater racial and gender equity. Current pilot programs in Stockton, California, and Jackson, Mississippi, will help us answer many design questions (SEED n.d.; Springboard to Opportunities n.d.). In addition to the evidence that will be collected from these pilots, direct input from the communities that this is targeted towards must be incorporated in order for any policy implemented to be as effective as possible. For example, questions around an annual lump-sum payment versus monthly payments must be discussed with individual communities, so that policymakers have a sense of what option would best achieve the ultimate goals of the policy. It’s possible that in these conversations, the recommendation is made to allow recipients to choose what payment breakdown they would prefer.

In addition to direct community input for the design of a guaranteed income, it is important to understand that a guaranteed income is ultimately an income policy solution, and income is only part of the equation when thinking about wealth.



When designing a policy platform to address gender and racial wealth inequity, key considerations include: shifting harmful narratives that impede us from seeing everyone as deserving; addressing current wealth extraction policies as well as historic impediments to building wealth for women and people of color; tackling wealth concentration and corporate power; and healing generations of trauma caused by economic instability. Below, we outline design elements that can help us create a society where everyone has the ability and wherewithal to live with dignity, freedom of choice, and security.

### **Enacting Tiered Disbursement According to Historic Disadvantage**

A guaranteed income policy proposal that is grounded in racial and gender justice must include a racial and gender equity approach that accounts for the rules, institutions, and norms that have ensured that certain groups reap a greater share of all that America offers while others have been intentionally left out. Without a strategic race and gender equity approach, a guaranteed income will not address and undo the underlying structures of racial and gender exclusion and discrimination that cause people of color and women to be overrepresented among the jobless and low-wage workers in the first place.

It is for these reasons that a tiered guaranteed income model that gives stipends based on historic disadvantage and current wealth status is the most promising way forward. Such a model allows for people of color and women-headed households to receive a larger benefit in order to make up for barriers placed on them by policies of our past and present.

### **Changing the Narrative**

The exclusionary policies of our past and present have been justified and advanced with narratives, or deep-seated frames of thinking, built on racism and sexism and often gendered racism. These narratives tell us that everyone should be able to pull themselves up by their bootstraps, and they push a story of toxic individualism that asserts injustice and inequality are the fault of the individuals who experience them. They shape how we view and define what work is, which has led us to exclude care giving and unpaid labor in our definition of work. These narratives tell us that government is a barrier to freedom, not a facilitator of it, and that systems have no place in our discussions on racial justice, ultimately justifying cuts to public programs that have long served working-class and poor families while using public programs to funnel more power and profits to corporations and the wealthy. We must call attention to the intentions behind these narratives; show how they operate to weaken families, the economy, and our democracy; and then present new narratives that allow people to reimagine the role of government in paving a pathway to inclusive economic security and prosperity. Additionally, it is crucial that we elevate the humanity of Black people.



If we want to see real change in America, we have to come to terms with the fact that anti-Black sentiment, xenophobia, and sexism have permeated our history and led to unconscionable economic stratification. We have to be prepared to see, name, and face some uncomfortable truths about how racist and gendered our underlying beliefs are in regard to who is deserving and who is not and who (had) has access to opportunity and who (did) does not. And, we have to be willing to do something about that learning through our policies moving forward by incorporating an intersectional race and gender equity lens in the design of our policies. Practically speaking, this means never assuming a “tide that lifts all boats” strategy in policymaking but rather using policy to right the wrongs of our past by being intentional about who a policy is intended to lift. We have to be willing to center and honor Blackness and the Black experience and use that frame to draft and implement policy—with the understanding that by centering Blackness, we create a pathway to economic prosperity for all.

### **Reckoning with Race and Gender in America to Promote Healing and Transformation**

While a tiered guaranteed income program gets us on a pathway to gender and race wealth equity by ensuring more money gets in the pockets of women and people of color, this policy must be paired with a truth and reconciliation process that takes us through a complex discussion and reckoning on the impact of race and gender in this country. Lessons can be learned from the process done in South Africa and Rwanda post Tutsi genocide. This will help build the political and public will needed to implement a tiered disbursement system.

At the core of a truth and reconciliation process is the recognition that injustice took place and a retelling of history that uplifts the voices and experiences of those who survived those injustices. This involves acknowledging how things came to be, naming responsible parties, and admitting the consequences—intentional or not.

Lastly, healing needs to occur for communities that have been shortchanged, stolen from, and discriminated against. As part of our reconciliation process, we must recognize the long-term trauma that exists in communities from having to live in constant flux and scarcity for generations. Once we acknowledge this trauma, impacted people need tools to think differently and adjust to a society where everyone is truly seen and given the opportunity to thrive. We cannot expect people to just know how to live in this new world as America has never been a fully inclusive place. We need to uplift and tap into community-based interventions that provide holistic support systems, including mental and physical health programs, cross-cultural unity building, anti-bias curriculum, and restorative justice programs.





## **Eliminating State-Sponsored Wealth Extraction Policies That Are Executed through the Criminal Justice System**

We must recognize and eliminate the ways in which our state and local governments continue to strip and extract wealth from communities of color and women through our criminal justice system. The move towards mass incarceration and the criminalization of poverty have led to what amounts to debtor's prisons where people are incarcerated simply because they cannot afford to pay a fine or fee or post bail (*Los Angeles Times* Editorial Board 2019). States and municipalities have to stop balancing their budgets on the backs of poor people of color and women through oppressive fines and fees, and we need to end the practice of money bail. Recognizing and eliminating all of the ways in which government extracts wealth from poor communities of color is a key step in reaching racial and gender equity.

### **Curbing Corporate Power**

Policymakers and the public at large have to also take a hard look at how corporate America's profit-motive outweighs the need to protect and care for people. The prioritization of profits over people has led to unprecedented levels of corporate power and greed, has left working people with little to no power, and has forced most of us to live deeply constrained lives with little to no room for economic mobility. By taming the power of those at the top of our economy and reviving worker power, we can build an economy that works for the many, not the few who can pay to play.

## **CONCLUSION**

The pursuit of racial and gender economic equity should guide every single economic policy debate. A better nation is possible, and we need to have the tough conversations to get there. To achieve an inclusive, more equitable economy, we stop relying on single policy interventions and recognize—and implement—the plethora of complimentary approaches that are capable of redefining the American economy and our society.

Racial and gender justice cannot be achieved without economic justice. By tackling wealth inequality through a tiered guaranteed income program, we can create the conditions where everyone in the US truly has the ability to build wealth and thrive.



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## ACKNOWLEDGMENTS

The author thanks Aisha Nyandoro and Mia Birdsong for their comments and insight. Roosevelt staff Andrea Flynn, Jess Forden, Rakeen Mabud, and Victoria Streker all contributed to the project; this issue brief was edited by Kendra Bozarth.

*This issue brief was made possible with the generous support of the Economic Security Project and the Novo Foundation. The contents of this publication are solely the responsibility of the author.*

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