



BUILDING A HEALTHY AND INCLUSIVE ECONOMY

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SCAG

FEDERAL RESERVE BANK OF SAN FRANCISCO

WHAT IS RACIAL EQUITY?

Just and fair inclusion in an economy in which all can participate, prosper, and reach their full potential.

We will know we have achieved racial equity when race no longer predicts life outcomes.

RACIAL EQUITY IS CENTRAL TO THE SF FED'S MISSION

Achieving racial equity fits into the Federal Reserve's mandate for maximum employment, which is central to our mission.

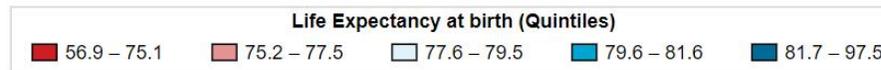
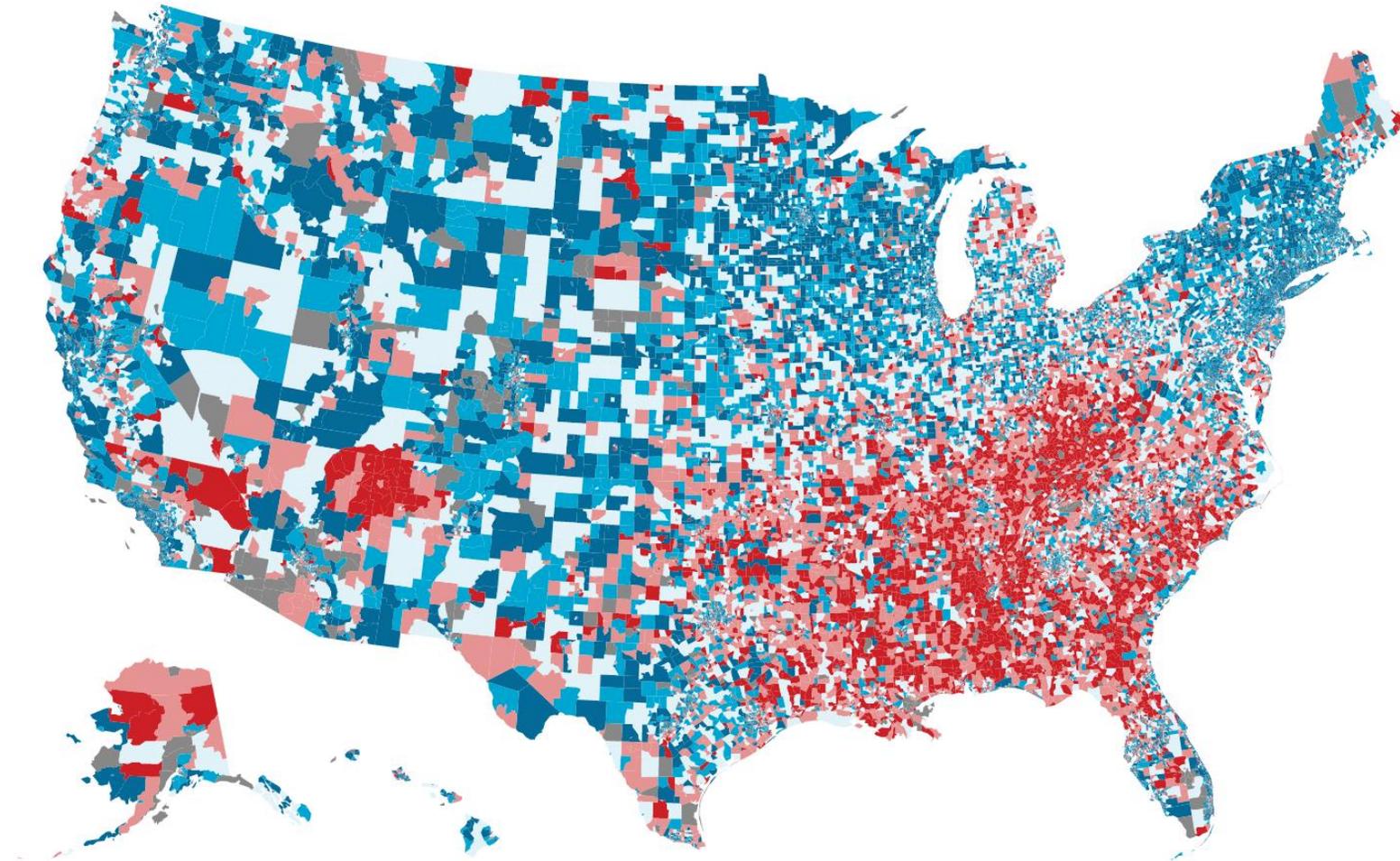
Overlooking and undervaluing economic contributions of people of color will **limit the full potential of our economy**.

People of color are projected to become the **majority of the U.S. labor force** in the coming decades.

**RACISM PAST AND
PRESENT SHAPES
ECONOMIC
OPPORTUNITY**

A MATTER OF MILES = YEARS OF LIFE EXPECTANCY

Life Expectancy at Birth for U.S. Census Tracts, 2010-2015



Geographic areas with no data available are filled in gray

<https://www.cdc.gov/nchs/data-visualization/life-expectancy/index.html>

WHY DOES PLACE MATTER FOR HEALTH?

Communities of Opportunity

- Parks
- Safe/Walkable Streets
- Grocery Stores and Healthy Foods
- Quality Housing
- Strong Local Businesses
- Financial Institutions
- Wealth-Building through Homeownership



Disinvested Communities

- Crime and Violence
- Fast Food and Liquor Stores
- Under-Resourced Schools
- Pollution and Toxic Exposures
- Unmaintained Housing
- Slow or No Transportation
- Predatory Lenders



COMPARED TO A WHITE CHILD BORN IN THE AFFLUENT OAKLAND HILLS...

WEST OAKLAND
LIFE EXPECTANCY

71

OAKLAND HILLS
LIFE EXPECTANCY

85

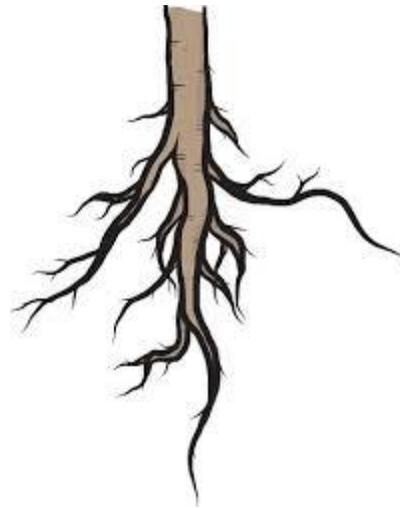
...AN AFRICAN AMERICAN CHILD BORN IN WEST OAKLAND CAN EXPECT TO LIVE 14 FEWER YEARS.

STRUCTURAL RACISM IS AT THE ROOT OF RESIDENTIAL SEGREGATION, ECONOMIC INEQUITIES, AND POOR HEALTH

Discriminatory mortgage underwriting by the FHA/VA

Redlining practices by banks and home insurance agents

Racial steering and block-busting practices by real estate agents



Racial targeting of subprime loans

Disinvestment and concentrated poverty in urban centers

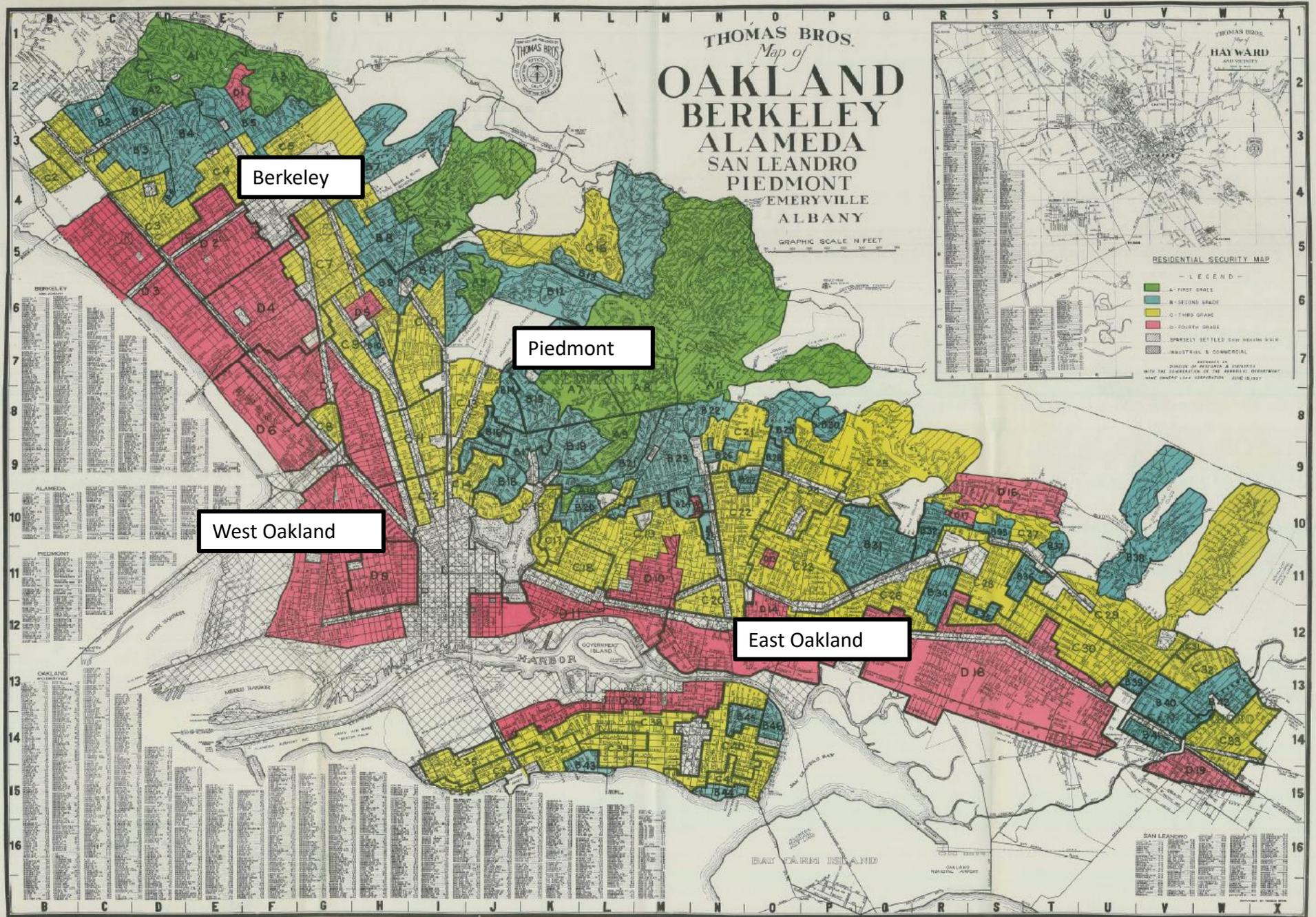
Middle class and white flight to the suburbs

Displacement caused by federal highway construction and other urban renewal projects

AREA DESCRIPTION

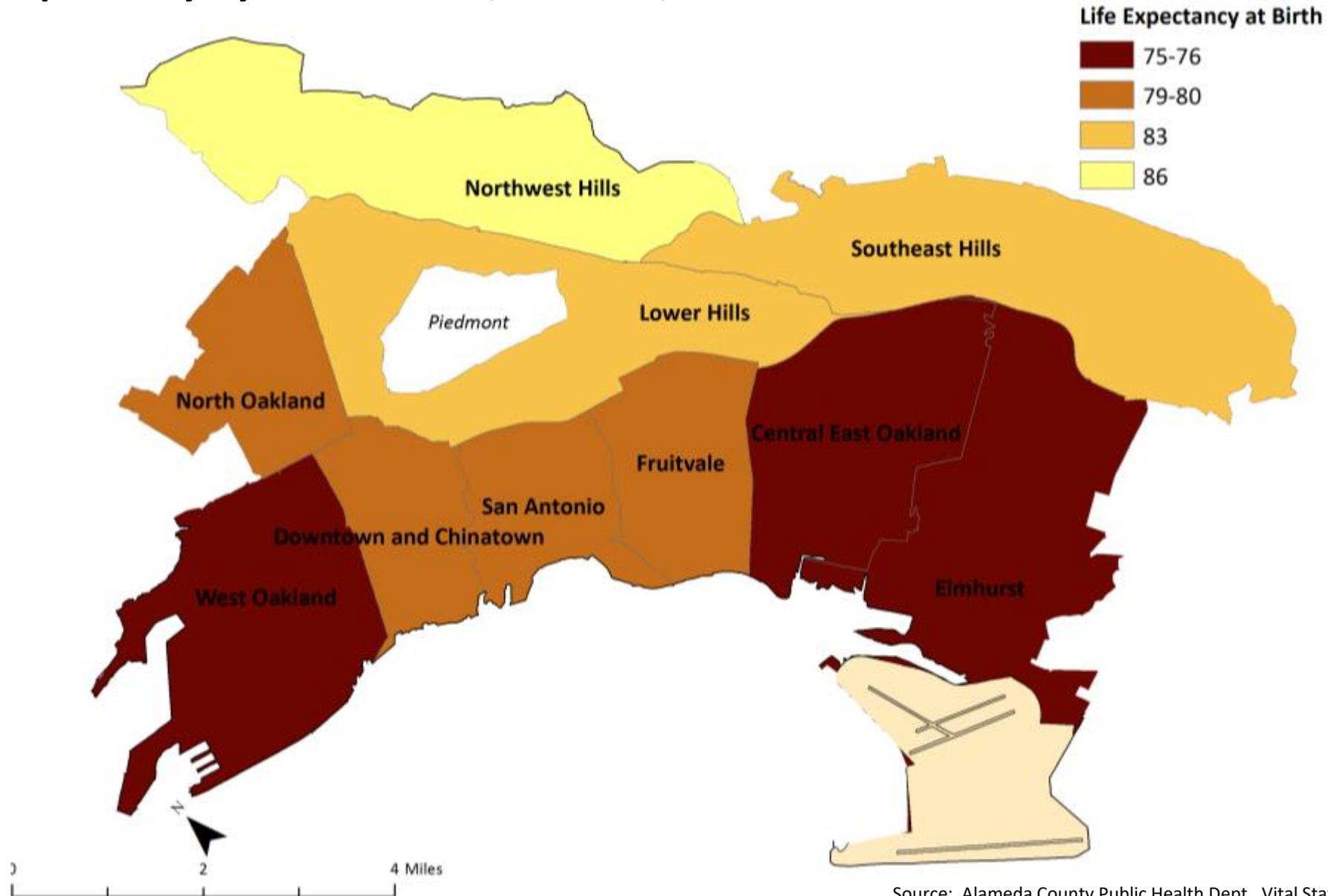
(For Instructions see Reverse Side)

1. NAME OF CITY OAKLAND SECURITY GRADE R E D AREA NO. D-18
2. DESCRIPTION OF TERRAIN. L e v e l
3. FAVORABLE INFLUENCES. Convenience to schools, local shopping districts local and San Francisco transportation; proximity to industry increases demand for class of residences in this area
4. DETRIMENTAL INFLUENCES Infiltration of Negroes and Orientals (see below). Many cheap type cottages and old homes detract from otherwise generally fair appearance of area. Distance from Metropolitan center
5. INHABITANTS: Laborers, service workers,
 a. Type white collar employees; b. Estimated annual family income \$1,200 - 2,250
 c. Foreign-born Various; 5%; d. Negro Yes; 2%
 (Nationality) (Yes or No)
 Oriental storekprs
 e. Infiltration of and lower class; f. Relief families Occasional;

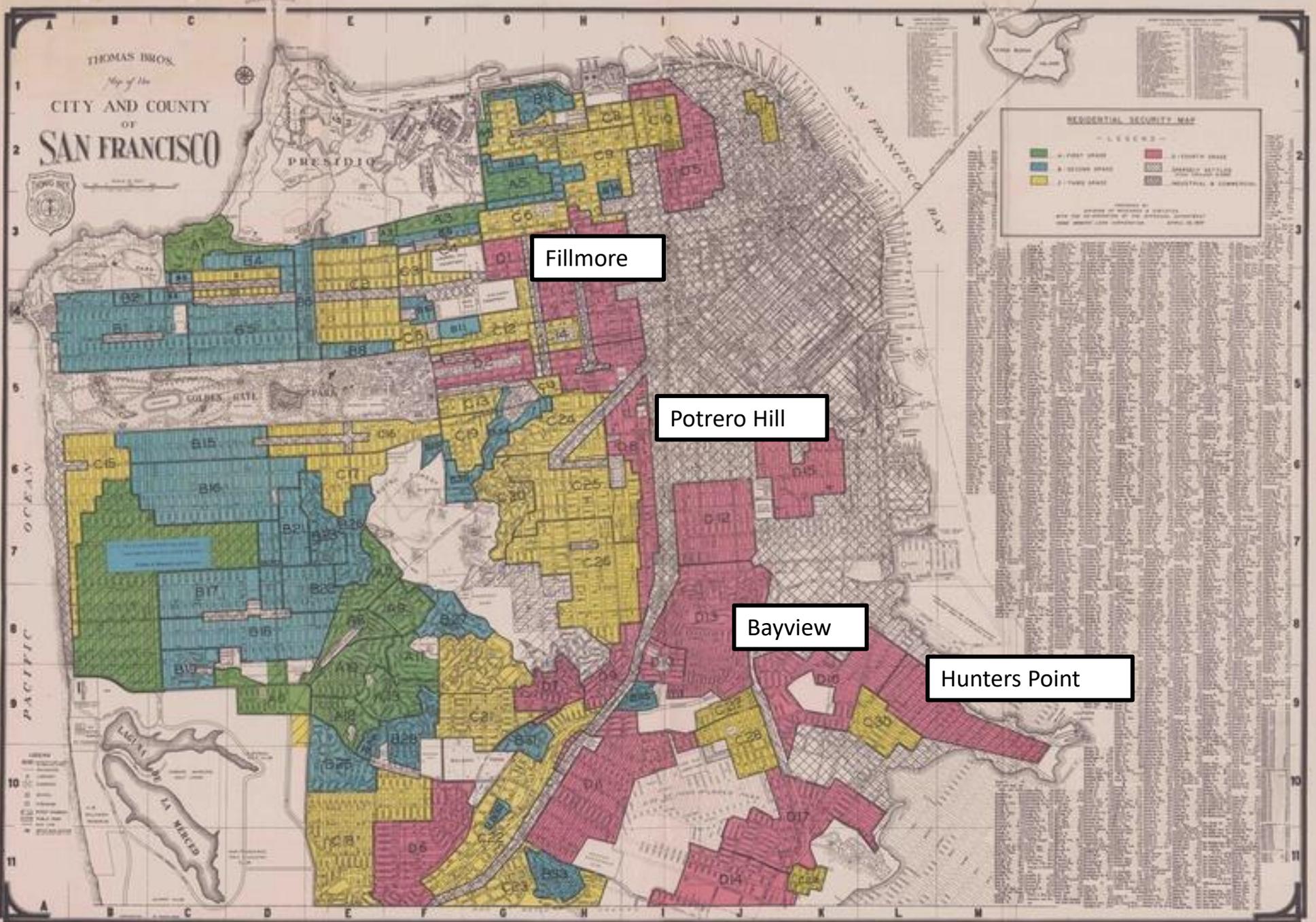


JUST A FEW MILES = A DECADE IN LIFE EXPECTANCY

Life Expectancy By Census Tract, Oakland, CA



THOMAS BROS.
Map of the
CITY AND COUNTY
OF
SAN FRANCISCO



Fillmore

Potrero Hill

Bayview

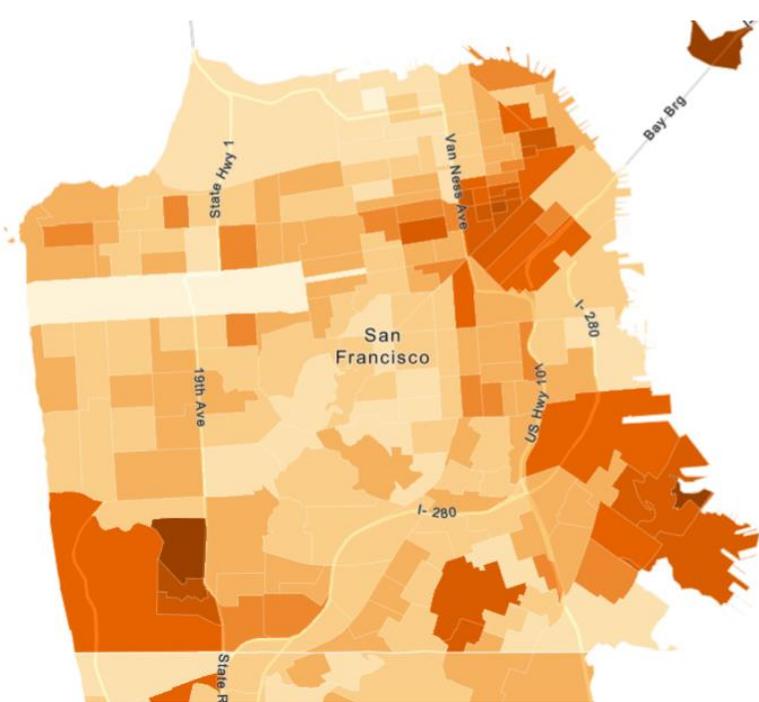
Hunters Point

RESIDENTIAL SECURITY MAP
- LEGEND -

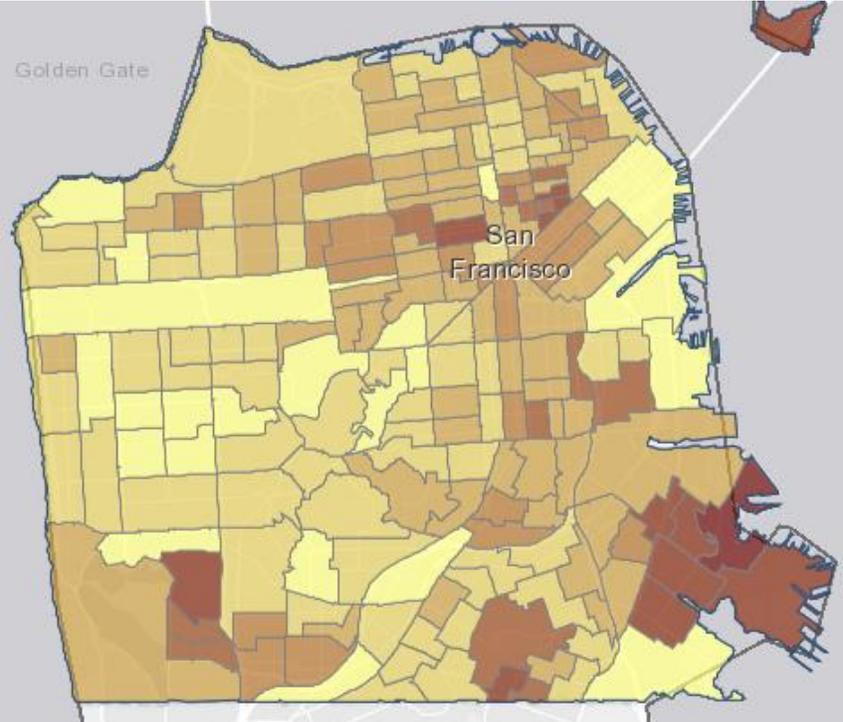
1 - FIRST GRADE	4 - FOURTH GRADE
2 - SECOND GRADE	INDUSTRIAL & COMMERCIAL
3 - THIRD GRADE	

PREPARED BY
THE OFFICE OF THE CITY ENGINEER
SAN FRANCISCO, CALIFORNIA
MAY 1942

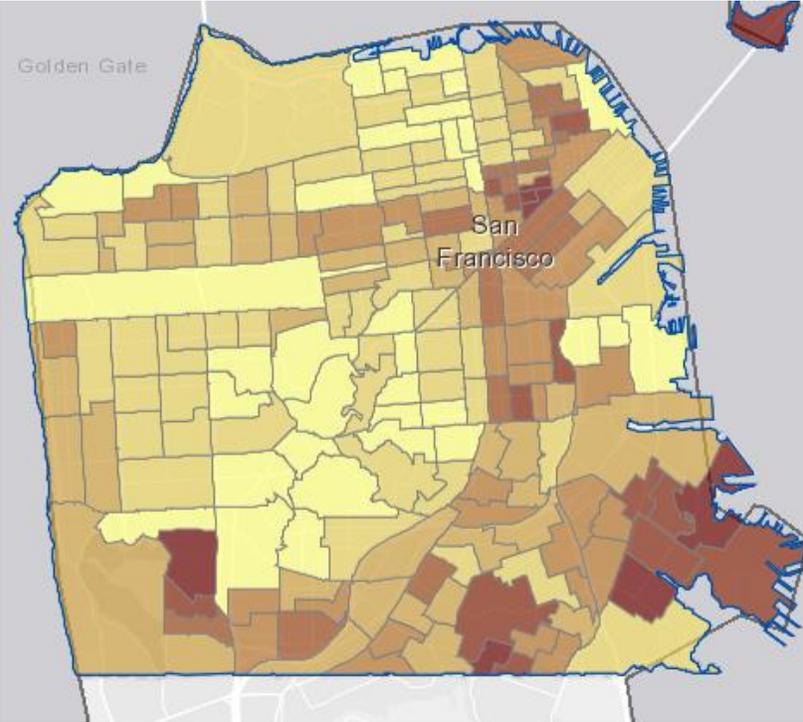
THE HISTORIC LEGACY OF REDLINING CONTINUES TO DRIVE DISPARITIES IN ECONOMIC OPPORTUNITY, PHYSICAL HEALTH, AND MENTAL HEALTH



POVERTY



ASTHMA



POOR MENTAL HEALTH

For adult population in 2016; sources: ACS 2012-16, 500 Cities Project, CDC

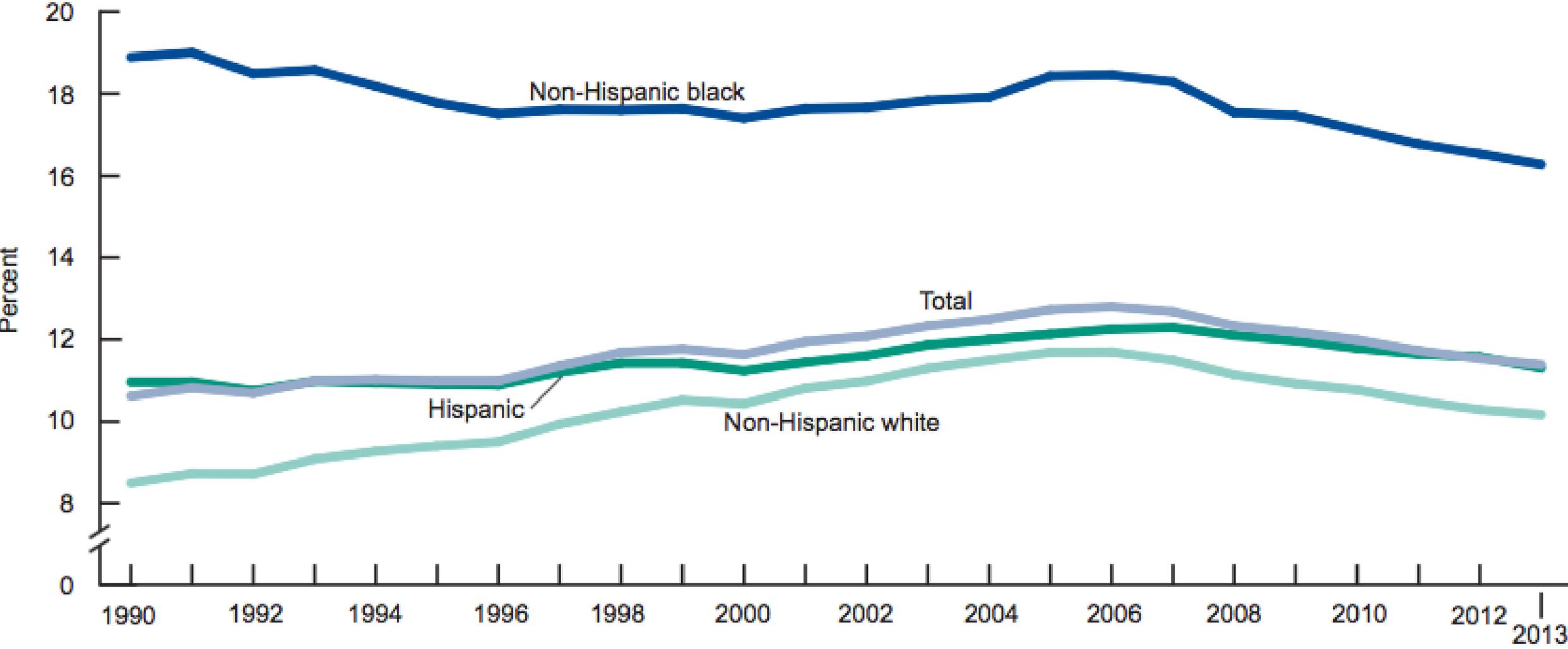
**A STRONG
ECONOMY
REQUIRES A
THRIVING LABOR
FORCE**

PERSISTENT BLACK-WHITE WEALTH GAP

	Median wealth		
	White	Black or African American	Ratio of black or African American to white household median wealth
1989	\$129,771	\$7,090	5.5%
1992	\$106,494	\$13,417	12.6%
1995	\$112,752	\$19,622	17.4%
1998	\$129,014	\$24,198	18.8%
2001	\$162,447	\$28,316	17.4%
2004	\$169,338	\$24,927	14.7%
2007	\$188,756	\$25,841	13.7%
2010	\$126,063	\$17,133	13.6%
2013	\$124,258	\$10,115	8.1%
2016	\$142,180	\$13,460	9.5%

	Share with zero or negative wealth	
	White	Black or African American
1989	7.1%	32.2%
1992	7.1%	21.2%
1995	6.7%	23.4%
1998	8.2%	19.3%
2001	6.3%	17.7%
2004	6.9%	17.5%
2007	7.6%	20.8%
2010	11.6%	22.7%
2013	10.0%	28.7%
2016	10.6%	25.8%

PRETERM BIRTH RATES, BY RACE AND HISPANIC ORIGIN OF MOTHER: UNITED STATES 1990-2013.



Source: CDC HCHS National Vital Statistics System

DISPROPORTIONATE IMPACTS OF COVID-19 BY RACE AND ETHNICITY

Rate ratios compared to White, Non-Hispanic Persons	American Indian or Alaska Native, Non-Hispanic persons	Asian, Non-Hispanic persons	Black or African American, Non-Hispanic persons	Hispanic or Latino persons
Cases ¹	2.8x higher	1.1x higher	2.6x higher	2.8x higher
Hospitalization ²	5.3x higher	1.3x higher	4.7x higher	4.6x higher
Death ³	1.4x higher	No Increase	2.1x higher	1.1x higher

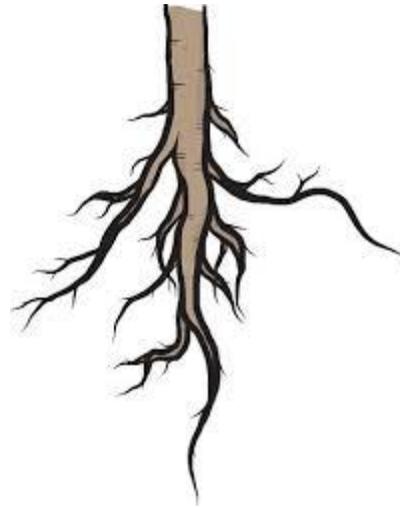
STRUCTURAL FACTORS AT THE ROOT OF COVID-19 DISPARITIES

Employment in service industries
with more face-to-face contact

Low-wage hourly jobs
affected by reduced hours
and closures

Lack of sick leave
or paid time off

Lack of a regular source of
health care and reliance
on emergency
departments



Fewer savings to weather
financial shocks

Overcrowded housing

Challenges with childcare closures;
lack of reliable internet and devices,
under resourced schools that are
unable to provide tools for distance
learning

**WE EACH
PLAY A ROLE**

WE EACH PLAY A ROLE:

1. Actively work against our hardwiring
2. Remember and remind others that racial disparities are not simply a matter of individual choice and behavior
3. In designing our systems, listen to and center communities of color who have been most impacted: in the U.S., Black people
4. Leverage power and privilege for change



PUBLIC SPACES



CHILDCARE



MEDICAL CARE



MEANINGFUL EMPLOYMENT



HEALTHY FOOD



A HEALTHY AND INCLUSIVE ECONOMY:
WHAT IS YOUR ROLE?



CLEAN AIR



PARKS AND ACTIVITIES



INCLUSIVE POLICY-MAKING



GOOD SCHOOLS



HOUSING



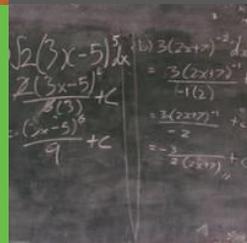
FINANCIAL SECURITY



WEALTH-BUILDING



EMPOWERED RESIDENTS



TRANSPORTATION



Thank you
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The views expressed are those of the author and not necessarily those of the Federal Reserve Bank of San Francisco or the Federal Reserve System.