

THE BROOKINGS INSTITUTION

BROOKINGS CAFETERIA PODCAST

A NEW PARADIGM FOR VALUING BLACK COMMUNITIES

Washington, D.C.

Friday, May 22, 2020

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PROCEEDINGS

DEWS: Welcome to the Brookings Cafeteria, the podcast about ideas and the experts who have them. I'm Fred Dews. The deliberate devaluation of Black Americans and their communities has had very real, far-reaching, and negative economic and social effects. And, enduring white supremacist myth claims brutal conditions in Black communities are mainly the result of Black people's collective choices and moral failings.

In his new book, "Know Your Price: Valuing Black Lives and Property in America's Black Cities," just published by Brookings Institution Press, Andre Perry takes readers on a tour through six majority-Black cities whose assets and strengths are undervalued, and offers a new paradigm to determine the value of Black communities.

Perry is a fellow in the Metropolitan Policy Program here at Brookings and is interviewed on the show by Robert Wicks from the Brookings Press. This is Robert's first interview for the Brookings Cafeteria, so welcome, Robert. Also on this episode, Senior Fellow Sarah Binder walks you through three developments on Capitol Hill in Washington that deserve a closer look.

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First up, Sarah Binder with what's happening in Congress.

BINDER: I'm Sarah Binder, a senior fellow in Governance Studies at the Brookings Institution. These are unusual times on Capitol Hill. COVID-19 has upended both the congressional calendar and congressional routines in Washington. And, even after an enactment of nearly \$3 trillion in emergency relief, the Chair of the Federal Reserve, J. Powell, has called on Congress to do more. But, the House and Senate seem to be on different partisan paths, raising questions about whether or when Congress might act again.

Three developments on Capitol Hill deserve a closer look. First, an opening shot by House Democrats, second, divisions emerging amongst Senate Republicans, and third, steps toward a virtual Congress.

First up, House Democrats. Democrats last week planted their party's flag in what could be a couple months' battle over another economic relief package. On the floor vote to pass the HEROES Act, Democrats lost about a dozen, mostly moderate members, and picked up just one Republican from a hard-hit New York City district. House Republicans largely derided the bill as an ideological and partisan wish list.

The Democrats bill commits about \$3 trillion for state and local governments, individuals, essential workers, and hospitals as well as unemployed workers and their employers. The bill also includes billions for the ailing U.S. Postal Service and for states to handle the November elections. Even at \$3 trillion, though, there are a few measures that both moderates and progressives wanted in the bill to keep benefits flowing to Americans hard hit by the economic crisis, but not all the provisions made it in the bill.

On the one hand, this is certainly a messaging bill. It helps Democrats draw a stark line between how Democrats and Republicans are responding to the crisis. On the other hand, Speaker Pelosi will use the bill to drive a wedge through Senate Republicans. Why? She wants Republican senators to pressure their leaders to come to the bargaining table, lest Republicans be blamed if an economic recovery fails to take root this spring or summer.

Second, what's happening in the Senate? Well, in some ways it's business as usual, albeit most but not all senators are wearing masks. The Senate has largely been focused on advice and consent, confirming nominees for both positions in the Trump administration and for vacant federal judgeships.

Democrats have decried this business as usual, to put pressure on Majority Leader Mitch McConnell to consider emergency relief. But, Republican leaders have largely played wait and see, in part because while the White House has vowed to veto the House bill, it hasn't made clear what the President would support.

Meanwhile, Senate Republicans facing tough elections in November, such as Colorado's Cory Gardner, are getting nervous. Just listen to what Senator Gardner tweeted this week—"It's unfathomable that the Senate is set to go on recess without considering any additional COVID-19 assistance for the American people. Coloradans are hurting." Those pressures from within the Republican conference will surely continue to grow.

Third, steps towards a virtual Congress. The House and Senate are slowly, in their own ways, beginning to adapt to legislating during a pandemic. The House last week adopted a new set of procedures known as "proxy voting." This means that not every lawmaker will have to come back to Washington to cast their floor votes. Members can now give their proxies to the handful of members who do appear in the chamber to cast votes declared by those absent members, so long as the House is in an emergency period.

The House also greenlighted the practice of virtual committee proceedings once the details are worked out. But, only Democrats seemed on board for the change. Republicans voted lockstep against the reforms, putting the burden on Democrats to defend the reform.

Now, a lot of reporters have called this a historic change for the House, to allow members to participate without being present. But, it's important not to exaggerate what happened. Crisis often precipitates change in Congress, and proxy floor voting is certainly novel, but it doesn't really shake up the balance of power in the House. Party leaders still hold the upper hand, especially during the pandemic, given the challenges that rank-and-file members face in

congregating, coordinating, and legislating.

Over in the Senate, reformers haven't gained much traction with their formal proposals. But, the Senate is changing at least informally, most notably moving to virtual hearings, even when the Senate is in session in Capitol Hill, virtual hearings, and even for high-profile witnesses like the Secretary of Treasury and the Chair in the Federal Reserve.

In both chambers, camels have put their noses under the tent, and they may yet take a few steps farther. In the meantime, the parties will wage a messaging battle over the need for more economic aid. Smart money, I think, is probably on Republicans to fold.

DEWS: And, now, the interview. Here's Robert Wicks with Andre Perry on Know Your Price.

WICKS: Hi, Andre. I know this isn't exactly ideal. It would be nice if we were in the same studio today, but I'm glad that we were able to make this happen.

PERRY: Yeah. I'm looking forward to the discussion. I'm excited about the book release and all that's happening around it.

WICKS: Well, we're excited, too. It does feel like this is a moment for the book. It's lightning in a bottle, and I think that you've written something that really speaks to the zeitgeist. So, we're excited to be publishing it.

PERRY: Yeah, you know, I didn't plan for a book release in the middle of a pandemic, but it speaks to the underlying conditions of our time, that structural inequality has an impact on the life chances of people. And, we're seeing that racism has certainly caused a great deal of death in Black communities, that it's not by chance. It's because the policies and practices of the past make communities vulnerable, and I'm talking about those policies and practices that are racist in nature, the structures of the economy, of our housing, of our educational system, leading

to death.

But, what's missing in this discussion are the assets that are worthy of investment. So, I'm hoping this book brings attention to those assets so we can begin repairing the past harm by investing in Black people.

WICKS: Yeah. Chapter three is called Buy Back the Block, and you speak to the enormous burdens and challenges that Black business owners face in trying to secure support from banks and other financial institutions. But, you've also written recently about the need for the post COVID financial recovery to focus on and protect minorities. So, how do you feel about the prospects of a fair and just economic recovery at the moment?

PERRY: Well, right now, it's not going to be a fair and just recovery. When you look at businesses, in particular the Payroll Protection Program that was part of the CARES Act, that \$2 trillion spending package that Congress produced and the President signed into law, we're seeing that well over 95 percent of the businesses—Black businesses did not receive PPP funds, and that's somewhat par for the course in American society.

We say we want a level the playing field, but we don't want to invest in Black businesses. And, it's clear that that was a structural problem. When the Treasury decided to go through a mainstream bank, they decided to work with organizations that have excluded Black people historically and have not had great relationships with in the past. We know that Black business owners get loans at approximately half the rate as their white counterparts, and they receive worse interest rates even though they qualify for better interest rates.

And, so, this structure of how we distribute funds will automatically impact Black people. No one should have been surprised, because it's been a private club and, so, we should not be surprised of those outcomes. But, again, it's an example—if we want to recover, we should be

investing in Black businesses. We should be prioritizing areas in which Black businesses predominate. And, most importantly, we should be investing in the owners of those businesses.

WICKS: Yeah. You say in the book that bigotry and implicit bias impose a Black tax on residents of majority- Black neighborhoods. You actually calculate this amount out to 156 billion. What are some of the other financial implications of this Black tax? Can you talk about that a little bit?

PERRY: So, in the book I talk about housing devaluation, because it's relatively easy to measure, and by housing devaluation—the price or the penalty that people pay by living in a Black neighborhood. And, so, I examined housing prices, those in Black neighborhoods where the share of the Black population is greater than 50 percent, and I compared those to neighborhoods where the share of the Black population is less than a percent. And, we controlled for education and crime and all those fancy Zillow metrics, because we wanted to get to an apples-to-apples comparison between homes in Black neighborhoods and White neighborhoods.

And, what we found is simply amazing, that homes in Black neighborhoods—again, after controlling for education, I am taking those things off the table—homes in Black neighborhoods are (Inaudible) 23 percent lower about 48,00 per home, and then cumulatively across the country that amounts to about 156 billion in what is, we should consider, lost equity.

That's the money that should be used to send your kids to college, to start a business that's used by municipalities, to finance schools, and to improve infrastructure. That money is essentially, being robbed by racism from Black communities. So, my work said, hey, if you really want to see improvement in Black communities, you have got to remove the structural barriers and invest in Black folk.

Now, one of the things that I hope this book does is to change the horrible narrative that the condition of Black cities and neighborhoods are a direct result of the individual behaviors in them. And, clearly that 156 billion is an example of—you have people living in Black neighborhoods doing everything that is required for the American Dream, but they're not reaping it, because of the structural problems.

So, we have got to show evidence of this Black tax so, then, we can begin to invest in growth, in protection. I say all the time around this work that there's nothing wrong with Black people that ending racism can't solve. If we really want to address these structural issues, one, we have to invest in Black people, we have to trust them, trust us, I should say, with revenue. But, that's part of the challenge.

We have to make the head case. We have to share that 156 billion, and that's just in housing. We can talk about businesses later. We have to show that number, but we also have to change the narrative that produces that number. That's what I'm trying to do with this book.

WICKS: Yeah, well the title is Know Your Price, with the pronoun speaking to a Black audience. But, you also address racism in a way that's informative and beneficial for white people. You've been saying at one point that what society needs is more evidence of how racism works for the benefit of white people. It strikes me that writing a book that's going to be read by multiple audiences must be a tightrope act. Was it? And, were there any challenges in striking that balance?

PERRY: Well, I wrote the book for people living in Black-majority cities, and that includes white people. And, certainly, there's an audience that I'm looking for in terms of those residents, and predominantly a Black audience. But, racism is a national issue. It's an international issue, as we're discovering, or is being made plain.

And, so, yet the language, the approach, Black people will certainly resonate and identify with the stories and the examples, but so will white people who are living in Black neighborhoods. They understand that their homes, too, are devalued in Black neighborhoods because of the racism and perception about that neighborhood.

So, this is the book everyone can get into. When we're talking about Black cities, a lot of people just get offended by that term. I remember I had to talk about this in the book, how then Mayor Ray Nagin used the term "Chocolate City." And, astonishingly, many white people never heard of that phrase before, chocolate city, and said, hey, he's being racist. He's not including us. It should be Neapolitan city, they would say.

But, for many, they don't want any association with Blackness, and that also comes out in the research that I showed in and around D.C. The effort in D.C. to scrub any remnant of blackness, including music, from the city. And, so, this book is for everyone. But, it's really directed towards people living in Black-majority cities who want to excite change.

I say this in the book that for people in power there's no incentive for them to change. This is going to have to come from people who really want it, the willing. And, so, hopefully people can find a lot in this book to take with them so that they can continue this struggle to fight against structural racism and to encourage investment in Black neighborhoods.

WICKS: Ignorance was usually used in a pejorative sense, but sometimes people are just ignorant of something because they don't know it. A term that I had never encountered before in your book is white centering in disparity research.

PERRY: Yeah.

WICKS: In the book it's something that I feel like I don't see it everywhere but I can kind of intuit it, if that makes sense. It's like a problem that lurks underneath more visible problems.

So, could you talk about that a little bit for people who have never heard it before?

PERRY: Toni Morrison introduced this idea of white centering in our stories and narratives, and it basically states that when we're writing stories, that we don't necessarily have to make the white people or response to white people the overarching theme of the book, that our lives aren't predicated on what white people do, and we should not always show our reaction or base our stories on white people.

In research, that is also true, that when we're taught to understand a problem, we're taught to compare one racial group against another. So, we're constantly exploring how Blacks fare against whites. And, we're trained that way. I talked about in the story that when I learned sort of the hallmark of a lot of quantitative research, a regression analysis, we were taught to make white men and white people the (Phonetic) reference group. Now there are some reasons for that. You should put the largest sample as the (Phonetic) reference.

But, from a lot of problems that we must examine, we don't have to make any comparison studies. In fact, it distracts us from finding root solutions. And, I say this because, for the most part, when we're comparing Black to white, in a lot of cases these are two very different groups.

For instance, if we're talking about the middle class, to compare whites to Blacks based on income ignores the historic discrimination in housing that robs Black people of an opportunity to create wealth. And, so, by ignoring wealth, we ignore the racism.

More importantly, what I mean by centering white folk, that there's this sort of knee jerk practice of always making whites the reference group. And, a negative consequence of that is we're always portraying Black people as needing to catch up to white people in order to have parity. Well, justice does not require Black and white equality. It requires justice.

So, this book really is also a challenge to the research community to say, hey, let's stop doing all this disparity research, especially when it's not needed, because what's happening is, when Blacks are portrayed as a problem of needing to catch up, you don't invest in problems. No one invests in problems. You only invest in assets.

And, so, if Black people are always portrayed as a problem, you essentially invest in white people to fix them. And, so, what I want to do is say, hey, no, let's identify the strengths in Black communities so that we can encourage and say, hey, we know that there are disparities, but we also know why they exist. We need research to get to that why it exists, not to constantly show how bad Black people are under an obvious oppressive (Phonetic) trend.

WICKS: Using policy to change the narrative, basically.

PERRY: That's exactly right.

WICKS: I want to step back to ask you about the actual writing of the book, because the voice is wonderful. You open the book with a harrowing scene from your own childhood before getting into a discussion of the actual policy. And, many sections of the book have a memoiristic feel to them. So, can you speak a little bit about the actual writing process? Did you always know the book would be this personal, or did it develop during the actual writing?

PERRY: Research is personal. And, that's another thing I wanted to project in this book. We act as if—we, meaning researchers—we act as if we're sort of dispassionate, removed voices of reason when, in fact, we have the same cultural responses that these macro narrative—or, the same cultural belief systems that these larger narratives portray.

And, so, the same motivation that encourages a racist cop to hurt an unarmed Black man are the same motivations that inspire people to write about how—we're not removed from the sociological phenomenon. And, it shows up in our work. So, for me, this is very personal. When

folks talk about how bad Black people are, it defines everything that I am. It defines my existence.

I was raised by an older woman in the hood who made a deal with my maternal grandmother to take me in, because my mother was poor. She already had a child. My father was eventually murdered in prison. He was a drug addict. And, the policy narrative is that this was caused by their own doing. If they would only get married they would become middle-class. If they worked hard, they would set up their child for success.

And, all these other kinds of family practices are really putting children in harm's way. And, if you're in that position, you see and you read these policy statements, and you're like—that does not reflect who I am. So, what I do throughout the book is I look at the lived experience of Black people. Then, I run my research through them. So, I look at what they're saying. I understand what the folks are conveying, and I test it. And, it turns out that Black people and what they're talking about in terms of structural racism are right in many cases.

Now, I certainly challenge some prevailing convention, but when Black people say our ice is just as cold when talking about business, they're right. And, the report that—my colleagues Jonathan Rothwell and David Harshbarger looked at restaurants and other businesses all across the country, and we compared those in Black neighborhoods and the white neighborhoods.

Well, we found that businesses in Black neighborhoods owned by people of color scored higher on Yelp than their white counterparts. Now, they get less revenue. However, the point is that the quality is there, the investment is not. And, so, for me, this is very personal.

When I talk to people I record them. I have to interrogate my own assumptions, and I'm hoping that this inspired researchers to also put forth their biases. We are supposed to reveal our biases in our research. But, most often we ignore the privileges that we have gained and how that

impacts how we approach the work.

And, so, I put my biases up front, and I say, hey, I'm a Black person. I lived in a Black-majority city. I hear these narratives. I was negatively impacted by the racism, the housing devaluation, and the straight-up racism that has occurred. I can't necessarily believe in the reports that I'm reading about Black cities. That's why.

But, I use the same types of methods, I use the same rigorous approaches, but I use it from a perspective that isn't commonly used in mainstream research organizations. And, that's a perspective that sort of sloughs what Black people are saying that actually run their data through the lived experience. And, so, that's what I think differentiates this book from other public policy books that don't incorporate that kind of framework (Inaudible).

WICKS: Well, you make a great point in the book that you had access to a family that provided you with love and support. It's just that access to resources wasn't equal with other white families, and that's speaking to what you say about there's nothing wrong with Black people that can't be solved by ending racism.

PERRY: And, we're seeing that now. We talked about the PPP program. There are businesses in Black communities that, because of housing evaluations, they don't have the cushion of wealth to fall back on, yet those businesses aren't getting the PPP funds. And, so, when we're examining the speed of Black business, don't compare Black businesses to white ones when white businesses are getting the overwhelming share of funds by this administration.

It's clearly two different organizations. I mean two different examples. So, addressing the business problem in Black communities means addressing racism. That's what it means. And, you don't have to compare a Black business to a white business to do that. You have to recognize that Black businesses aren't getting resources, and understand why they're not, and address that

problem.

When you always compare Black and white, then you start to— white businesses have 75 days of—90 days of income to fall back on. Well, there's reasons for that. So, why are you comparing? The only reason why you compare is to blame. And, so, I want to get out of that business and focus on the root causes of the problem.

WICKS: Your background is in education. Could you talk a little bit about the section of the book that deals with Hurricane Katrina's aftermath in New Orleans schools and what lessons from that crisis apply to our current one, and if there were any lessons, have they been forgotten?

PERRY: Oh, yeah, they've already been forgotten. How I started writing about housing in other areas is because of my work in Hurricane Katrina. I served on then Senator Mary Landrieu's task force on education. I was very involved in reform efforts post Katrina. I've managed four charter schools in that aftermath. Billions poured into the city, billions, and not just in education but in other areas.

Now, after that investment, from billions over 10 years, Black people were still as poor, in many cases had fewer job opportunities in the past, that Black teachers in that regard were reduced by 20 percent over time. Now, the estimates are somewhere between 13 percent more than what was expected in their rate of attrition.

All of that is because we did not value Black people in the recovery. And, what I did with that chapter is show how you can't have real-school reform if it leads to a reduction in the Black workforce. Again, kids don't live in schools, they live in communities. If you really want to improve schools, you have got to improve the entire community, getting to better test scores but leading to the worse economic outcomes is not a tradeoff you should ask for.

And, so, what I do with that chapter is just say, look, yes, we need reform, but if you're

going to devalue Black people in the process of reform, that's the same old racism under a different name. And, that's what we saw in Hurricane Katrina, and we're starting to see it now. When states in districts have to go into some austerity mode in this impending crisis, they're going to determine who's essential, who's not, who they have to let go and who do they recruit.

Now, I fully anticipate there's going to be a swelling of retirements, early retirements after we open up cities and states, and that will lead to a need to recruit new talent, to change systems.

I really anticipate a loss of Black teachers, because we're seeing that in other areas. In business, for instance, Black businesses are devalued. And, I said this earlier, educators carry the same negative perspectives as well, their same dim view of Black people as well.

So, if you are a superintendent at the state level and you're not (Inaudible) adopt a racial equity lens, you will see higher numbers of Black people leave the profession. And, so, I'm worried about that, no question. And, I should be, because of the past actions in New Orleans and other places.

WICKS: You do make the point in that section that when the teacher is Black, students of all races end up doing better and --

PERRY: And other places.

WICKS: You do make the point in that section that when the teacher is Black, students of all races end up doing better. And, that theme comes up again in chapter seven: For the Sake of America, Elect a Black Woman President, where you argue that a Black woman's agenda is really a universal agenda. Can you talk a little bit more about that?

PERRY: When you look at the state of Black women, they're in the social—and economic stratas are very diverse. You have (Inaudible) extremely high-achieving CEOs and you

have folks who are certainly struggling.

But, what is common, Black women earn less, they're promoted less often, they don't get the same kind of protections as their male counterparts or with other racial groups, and I show that.

But, there's been an increase in the number of Black women elected officials, and I show that Black women are getting elected in areas that are not majority-Black, and it's because when you're talking about income disparities and pay issues, Black women resonate with those issues.

When you're talking about things that may be more of a Black issue, like prison reform, Black women are right there. They're incarcerated at higher rates, and they're the mothers of the Black men who are incarcerated, and they've been working on the front lines.

When you're talking about voter protection, while she did not win the governorship of Georgia, Stacey Abrams carried the torch on voter protection. Certainly, that's a hallmark of Democrats and their agenda, but Black women have been carrying that torch.

So, if you want to really find a person or a profile that everyone can relate to, it's Black women. Certainly, Black men have been elected, but there's a sexism component to that. White men clearly have a distinct way in which they categorically do not address Black issues. I mean, that's proven in so many different ways.

White women also. They're not this universal convener of people. But, Black women have shown—the London Breeds, the Ayanna Pressleys—they're not in Black-majority districts, but their stories resonate with their constituents, because they touch all these different people and all these different issues.

So, that's why I say for the sake of America, elect a Black woman president. That's because, hey, they've actually seen the issues. They have a vantage point that we all can relate to.

If we invest in Black women in the electoral cycle, we probably will have an investment in all America.

WICKS: I think we're nearing the end of our time, but I just want to follow up on that. Do you have any thoughts on who Biden might pick to be his VP? He said that he's pledged to choose a woman. Are there any candidates that you feel particularly strongly about?

PERRY: I don't necessarily feel particularly strong about any person. Obviously, I wrote that I want to see a Black woman become president. I certainly would not mind if a white woman, a Latina, or a Native-American woman became the vice president. I would not argue that. But, this is another opportunity to show where you're going to invest, and I'm waiting to see his investment strategy.

I was happy to see Joe Biden include my housing devaluations report in his plan for Black America, titled Life Every Voice. I hope he reads my Black woman chapter and reflect on electoral politics moving forward.

So, I want to see change, and having a woman in that seat, I'll be encouraged by it, but I'm hoping Biden can read that chapter in Know Your Price.

WICKS: Well, we're going to do everything we can to make sure he gets a copy of the book.

PERRY: Woo-hoo.

WICKS: Andrea, I think we've reached the end of our time, but I do want to thank you. This has just been a really great conversation. Thank you so much.

PERRY: Hey, any time. Go get Know Your Price.

WICKS: The book, Know Your Price: Valuing Black Lives and Property in America's Black Cities. The author is Andre M. Perry. Andre, thank you, again.

DEWS: The Brookings Cafeteria Podcast is the product of an amazing team of colleagues, starting with audio engineer Gaston Reboredo. Bill Finan and Robert Wicks of the Brookings Institution Press do the book interviews. Thanks, also, to my colleagues Adrianna Pita, Marie Wilkin, and Chris McKenna for their collaboration. Finally, my thanks to Camilo Ramirez and Emily Horne for their guidance and support.

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Until next time, I'm Fred Dews.

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Expires: November 30, 2020