

**ACTIVISM**

Targeting the Corporate Giants that Target Communities of Color to Extract Wealth

Part of understanding how systemic racism works today is to understand how the extraction of wealth from people of color is part of the business model of some large corporations.

BY SARAH JAFFE | MAY 18, 2017



Fix LA is a community-labor partnership that fights to win a fair contract, improve Los Angeles by restoring vital services and ensure that the banks and corporations the city government does business with pay their fair share of revenue. It began after

LA government leaders slashed public services and infrastructure maintenance during the Great Recession. (Photo courtesy of Fix LA)



This Q&A is part of Sarah Jaffe's series [Interviews for Resistance](#), in which she speaks with organizers, troublemakers and thinkers who are doing the hard work of fighting back against America's corporate and political powers.

A new organization based in Chicago, the [Action Center on Race and the Economy \(ACRE\)](#), aims to support groups pushing for structural change in our economy by targeting the “financial elite responsible for pillaging communities of color, devastating working class communities and harming our environment.” In this interview, the co-founders of ACRE, Maurice BP-Weeks and Saqib Bhatti, talk about how labor unions can leverage their bargaining power to improve communities, fighting Wall Street and how racist policies also hit white working-class communities.

Sarah Jaffe: Your organization is just getting off the ground. Tell us about the idea behind it and why you're launching now.

Maurice BP-Weeks: The idea behind ACRE is that there is lots of really great economic justice work being done looking at the role that Wall Street plays in everyday people's lives. But what we do is work

that goes after Wall Street and corporations that we all know are extracting wealth from communities, with an explicitly racial justice lens.

The way that we have talked about economic justice work and race in the past on the left has been through a lens of disparate impact. We say, “Bad guys do stuff at the top and it disproportionately affects people at the bottom.” What we do here at ACRE is look at campaigns through a slightly different lens, saying that the way these companies operate is built on the extraction of wealth from people of color. It is not an afterthought, it is actually core to their business model. All the campaigns that we do live at this intersection of corporate accountability, Wall Street accountability, economic justice and race through that particular lens.

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BY SARAH JAFFE | MARCH 10, 2017

SJ: Can you talk a little bit about some of the background, some of the campaigns that led to this point?

Saqib Bhatti: Both Maurice and I have been involved in various Wall Street accountability campaigns for many years and have worked together in many capacities. Some of the other campaigns that have informed this new project include the [ReFund America Project](#), which focused on municipal finance deals and the increasing power of the financial sector within state and local governments — the way that drives austerity policies that are particularly problematic in communities of color.

It is not just the case that communities of color are disparately impacted by cuts to budgets; it is that the most drastic, the most draconian cuts are justified by doing them in communities of color. The bankruptcy in Detroit and the debt crisis in Puerto Rico are two great examples of places where debt has been used to try to upend people's lives, to undermine democracy — and we see that it starts with communities of color.

We have already seen them try to [export the Detroit formula](#) to other places. You create the formula by targeting communities of color, and then once you have that, you can also try to push in other places.

Another relevant campaign is the [Hedge Clippers campaign](#), which focuses on holding accountable hedge fund managers, private equity firm managers and billionaires who are very often financial folks who are trying to control our politics. They are increasingly on the wrong side of a whole host of issues, whether they are “pharma bros” who are [increasing the price of pharmaceuticals](#) or whether they are folks who are trying to push for [the charterization of entire school districts](#).

Maurice can probably talk about some of the other work that we have done around housing and gentrification.

MW: The housing work has really spanned several years, back to the peak of the foreclosure crisis, where really I cut my teeth as an organizer in California going after Wells Fargo and some of the other banks that were foreclosing en mass on black and Latino families.

The nature of housing in this country has obviously changed since the foreclosure crisis. A lot of our recent work has been around [Wall Street buying up](#) formerly distressed properties, foreclosed properties in bulk, often aided by the Department of Housing and Urban Development (HUD) or other federal agencies. Last year we ran a campaign that targeted HUD for their involvement in this program

around distressed asset pools, which was basically just a program to, in bulk, hand homes off to Wall Street. We were making the case that these were mostly people of color who were foreclosed on and had these distressed properties. We shouldn't give these homes right back to the people who caused the crisis. There is a huge need in black and brown communities for affordable housing and lots of people who really want to move back into these homes that were lost. We should be focusing on that instead of giving lots of properties directly to Wall Street.

We have also been [targeting specifically Blackstone](#), which was both a key actor in that program and also is one of the largest single-family-home landlords. They are just buying up thousands upon thousands of homes in the country and we just think it is really troubling that this private equity group essentially has their hands on so much of American property.

We have continued beating the drum [about Wells Fargo](#). Wells Fargo is an interesting case because it is not just that they foreclosed on so many black and brown families and caused that massive loss of black and Latino wealth. They are also involved through investments in [private prisons](#) and the [Dakota Access Pipeline](#), donations to police foundations and their role in the [student loan crisis](#). They are this perfect intersection of all of these ways of screwing over and extracting wealth from people of color coming together to create their business model, essentially. That has been part of the foundation of our [Forgo Wells campaign](#).

SJ: Over and over again we see these cuts to social services policies targeting communities of color. But they don't only hit communities of color; they screw

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There is a wealth extraction plan that

up the whole economy. Then somebody like Trump, in turn, manages to consolidate his own power, in turn, by further blaming people of color. I wonder if you could talk about the way all of this has worked.

MW: To me the Trump administration is actually a perfect example of the demonstration of our analysis. On the one hand, you have a group of people who are just outright racist, who are just pushing forward the most hateful, xenophobic ideas that you could possible imagine. And on the other side, you have these economic justice targets that we have been fighting for the past 20 or 30 years — people from Goldman Sachs, Steven Mnuchin and that whole bunch.

In our analysis it makes a lot of sense that those two camps of people came together. There is a wealth extraction plan that they are pushing forward and the tool to do it is racist hate language, including blaming the problems of the economy on blacks, Latino folks and whoever else they can.

SB: I would add that one of the original sins of the Democratic Party going into the 2016 election was the failure of the last administration and the supermajorities in Congress to actually offer meaningful relief to struggling families in the aftermath of the financial crisis. The focus was on “How do we make sure that we can keep the financial

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— MAURICE BP-WEEKS

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system afloat?” and they left working families, struggling families behind.

One of the ways in which Wall Street ensured that they were able to push through their agenda was by racializing the issue. [The narrative] was that the homeowners who were facing foreclosure were irresponsible black and Latino families who got into loans they couldn't afford and so they didn't deserve help. The reality is, we know, that black and Latino families were actually targeted with predatory mortgages.

The other side of that, though, is that while it is true that black and Latino families are disproportionately the people who were impacted by the foreclosure crisis, in raw numbers it was a lot more poor white folks who were foreclosed on because there are a lot more poor white folks in the country than there are poor black and Latino families.

The white working class were impacted by the same pro-Wall Street policies that were justified by scapegoating people of color. What is interesting now, of course, you had Donald Trump who really appealed to a lot of folks who felt left behind by the Democratic Party by saying the system is rigged. He wasn't wrong; the system was rigged. Of course, it was rigged by the very people that he has put in his Cabinet. So it is this vicious cycle. As Maurice said, this is the perfect example of how race and class and racial and economic analysis go hand in hand and come together to give us the moment that we are in now.

SJ: I want to talk about “bargaining for the common good.” For people who are reading who don't know, explain what that means. What is bargaining for the common good?

SB: Bargaining for the common good is this idea that when you have unionized public or private sector workers that they don't need to,

and in fact they shouldn't, limit their bargaining demands to issues that are workplace issues. That in fact, workers' lives don't end when they go back to their communities and what is good for the communities is also good for the workers.

With that in mind, workers should form long-term partnerships with community partners in the communities in which they live. For public sector workers, the communities they live in are also the communities that they serve and they should bring the demands of the broader community to the table when they walk into bargaining. By doing this, by politicizing bargaining and aligning their interests and making bargaining something that is a platform for moving broader issues, workers can make their bargaining process relevant to the broader community. By doing that, there is both added power at the bargaining table for workers, and it also helps community organizations and members of the broader community more effectively fight for a better future for themselves.

MW: In Los Angeles, the Alliance of Californians for Community Empowerment, along with SEIU 721, Scope LA and lots of other partners in the Los Angeles area have formed this campaign called Fix LA. As municipal workers were coming up for contract, Fix LA said, let's not just bargain around just the contract itself; how do these issues affect the community and specifically the black and brown community in south Los Angeles? One of the things that they focused on was that the city's sanitation workers had been cut by an enormous amount and it led to real problems in the city. There were

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– SAQIB BHATTI
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more floods than normal because the city's workers weren't able to clean out sewer traps. It also led to terrible road conditions, broken street lights and overgrown trees — things that were all happening in black and brown Los Angeles.

So, this group came together to say, the excuse that we don't have money to hire back these workers is not acceptable. There actually is money. Los Angeles is in several bank deals. Let's go after them, get that money back and study other places where we are in bad bank deals as a way to fund rehiring these workers, expanding the work that they do and fixing Los Angeles. Money for our streets, and not for Wall Street. That is an ongoing campaign, but they were able to win a restoration of local jobs based in south LA for black and brown folks. They were able to look at the bank deals that the city is in and how they can get out of the bank deals that are just costing them lots of money.

That is a long-term partnership. That is not the kind of thing that after SEIU 721 won the contract they are like, alright, ACCE. I will never talk to you again. It is a real, deep partnership that lasts way beyond the contract. The contract was a piece in a broader puzzle. Another example is the Chicago Teachers Union, which Saqib can talk about.

SB: A lot of work the Chicago teachers have done over the course of the last couple of contract cycles really is a good frame. In the most recent Chicago Teachers Union contract cycle this past fall, one of the key issues was tied to the budget — the Chicago public school system does not have enough money coming in and it needs more revenue. The revenue is being held hostage at the state level by a governor who refuses to pass a budget unless he gets a series of anti-union reforms.

In the meantime, you have this devastating budget crisis in which a lot of state universities are losing their funding. The ones that are

impacted particularly hard are Chicago State University, home to a large black student population, and Northeastern Illinois University, where a large number of undocumented students attend. Those are the two that are being hit the hardest. Chicago State has been on the verge of closure for the past year. This time last year, every single person who worked there was asked to turn in their keys, and ultimately about 40 percent of its staff was let go.

What was great about the Chicago teachers contract fight was that at bargaining they raised demands around the need to have new revenue. Last year on April 1, they went on a one-day strike. That strike was all about getting funding for the state budget. The theme of the day was “Fund Our Future.” Through that, they were able to align a broad coalition of folks across the state and across the city of Chicago who joined them in fighting for revenue.

In the end, when they settled their contract in October, the notice of the settlement came out minutes before the midnight deadline. At the very last second Rahm Emanuel and the school board finally agreed to put new revenue at the table. That was a thing that they were holding out for, saying, “Unless more money is coming into the district, no contract is worth the paper it is printed on because there simply is not enough money to be able to provide our students with the type of education that they deserve.” By leading with that and sticking with that, they were able to win new revenue and build long-lasting relationships.

MW: We just hosted a conference on bargaining for the common good for racial justice. We think this tool can be used to push forward racial justice victories and racial justice outcomes. One of the things we talked about at the conference is, “What would it look like to put into the contract that the school district will refuse to bargain with any contractor who agrees to build the southern border wall?” or

“What does it look like to put in the contract that the district will refuse to do business with any bank that forecloses on students during the school year?” Let’s also bring those issues to the bargaining table and get both unions and community members doing the work of having those conversations and pushing those things forward through bargaining. Not just using it just as a revenue tool — although it is extremely effective for that — but using it to ensure racial justice outcomes, in particular, too.

SJ: How can people keep up with you and your work?

MW: You can visit our website at acrecampaigns.org. If you are interested, in particular, in the Forgo Wells work, you can go to forgowells.org, as well. We are also on Twitter at twitter.com/ACREcampaigns and Facebook at facebook.com/ACREcampaigns.

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