President John F. Kennedy famously made use of the phrase “a rising tide lifts all boats” to paint a picture of policy making for shared prosperity in America. The phrase has come back into common use during the recent economic crisis, as policy makers discuss proposals for moving our country back toward growth and prosperity. For example, the phrase is often used in discussions about our state’s unemployment crisis. Although unemployment has been a concern for all people in Minnesota, it is significantly higher for people of color. The implication of “a rising tide lifts all boats” is that universal policies put into place to reduce overall unemployment will also reduce unemployment for individual races.

Does this metaphor hold up? Does adopting unemployment policies targeted to everyone really benefit everyone? Do such policies both raise the tide and lift all the boats? History shows that the answer to this question is “no.” Strategies intended to improve conditions for everyone too often leave entire communities behind or pushed to the margins, unable to access new opportunities, resources, and benefits.

Unemployment rates in the Twin Cities region demonstrate this outcome clearly. Hundreds of millions of dollars were poured into this region, like others across the nation, as part of the economic-stimulus bill passed in 2008 to jump-start the flagging economy. By 2009, the region had a lower than average unemployment rate, measured at 7.8% compared with a national average of 9.3%. However, people of every race did not have the same chance of being employed. White people faced a 6.6% unemployment rate that year, while black people in the Twin Cities had an unemployment rate well above 20%, meaning they were three times as likely to be unemployed as whites.

That statistic reinforces what communities of color in the Twin Cities region have known for decades. Although the region benefits from a number of social and economic assets, it continues to be unable to translate these benefits to everyone, specifically to communities of color. The Mind the Gap report, released by the Itasca Project, a collaboration of 40 Twin Cities area CEOs, mayors, and university and philanthropic leaders, comments on these realities in the Twin Cities by noting, “In a region where household income is often ranked among the highest in the nation, black household income is often among the lowest. In a region with the highest share of adults with a high-school diploma, our racial disparities in education continue to lead the nation.”

Despite significant accomplishments, the Twin Cities region struggles with social and economic disparities that threaten the well-being not just of people of color, but of the region as a whole.

Everyone deserves to live in communities rich with opportunity. However, too often in the Twin Cities, where you live determines whether or not you have access to the resources you need to thrive, such as quality schools, banks you can trust, and access to healthy foods, good jobs, affordable housing, and transportation. Regional leaders cannot effectively develop communities of opportunity without first tackling the barriers to success and well-being that
are built upon structures and institutions that perpetuate racial, social, and economic inequities in our cities and regions.

Minnesota, like many other states, has a history of implementing universal programs with the expectation that everyone will benefit. However, previous attempts that used a one-size-fits-all approach have proven unsuccessful at addressing the needs of marginalized racial and ethnic groups. In fact, universal policies, if not well designed, can intensify rather than reduce racial disparities.

If the goal is to close the gap on racial disparities, then it is imperative to take the time to understand why the gap exists. Low-income communities of color are often situated very differently when it comes to access to interconnected opportunities such as housing, jobs, and education. By studying the historical, geographical, cultural, and institutional forces that contribute to racial disparities, policy makers can work with communities to create and implement more targeted strategies to end them. In other words, rather than using an equality framework, which assumes all people need the same things to get to the same place, leaders should employ an equity framework, which acknowledges differences and proposes solutions that meet different people’s needs. An equity framework acknowledges the unique circumstances of individuals and crafts appropriate solutions that create more targeted benefits.

Given this paradigm, then, what is equity? In her 2011 book The Just City, urban planner and Harvard professor Susan Fainstein defines it as “a distribution of both material and nonmaterial benefits derived from public policy that does not favor those who are already better off at the beginning. Further, it does not require that each person be treated the same but rather that treatment be appropriate” (p. 35). Within an equity framework, the questions of “who benefits?” and “to what extent?” become central to measuring the positive benefit of any policy or strategy.

### EquityNow Twin Cities Demographic Roundtable: Identifying Equity Strategies for the Twin Cities

This discussion is timely because of rapidly changing demographics in the United States. The U.S. Census Bureau recently announced that more than 50% of babies born in this country are now of color. The implications of this trend, should it remain unchanged, are clear: At some point, people of color will make up the majority of the population. These demographic changes are frequently discussed in terms of challenges, citing statistics about racial disparities and stories of inequity that demonstrate the significant barriers facing people of color. The challenges facing people of color in the Twin Cities are real, but our changing demographics are not cause for alarm. According to EquityNow Twin Cities—an emerging network of nonprofit, public sector, and philanthropic partners working together to achieve racial, social, and economic equity in our region (see sidebar)—these changes offer the opportunity to bring together diverse experiences that could reinvigorate our economy and drive growth for our future.

In August 2012, EquityNow Twin Cities brought together regional and national equity leaders to discuss the largely untapped potential living within our region’s communities of color, and how it can be used as a catalyst to fuel our region’s economic growth. “Population drives economic growth,” said roundtable participant and state demographer Sarah Brower. “That’s why every last one of our residents becomes important to our well-being.”

At the meeting, which was convened with the national organizations PolicyLink (www.policylink.org) and the Center for American Progress (www.americanprogress.org), partners outlined the steps it will take to ensure that Minnesotans can all prosper into the future. The discussion produced rich ideas for ensuring all Minnesota communities offer opportunity to their residents.

- **Investing in the potential of young people is critical to Minnesota’s success.** Minnesota’s labor-force growth is slowing because of the state’s aging white population. Because the younger generations are significantly more diverse, new economic growth will be driven by people of color.
- **Equitable investment requires leaders to bridge geographic divides.** Where people live plays a role in how public investments are made. Perceived divides between urban, suburban, exurban, and rural

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6 See I. Katznelson, When Affirmative Action Was White: An Untold History of Racial Inequality in Twentieth-Century America (New York: W.W. Norton & Company, 2005). Katznelson contends that the universal programs of the 1930s and 1940s not only discriminated against blacks, but actually contributed to widening the gap between white and black Americans—judged in terms of educational achievement, quality of jobs and housing, and attainment of higher income.

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**EquityNow Twin Cities**

EquityNow Twin Cities emerged after a delegation of 150 Minnesotans attended the 2011 PolicyLink Equity Summit in Detroit, and the network continues to convene around a shared belief that by working together across a variety of cultures, geographies, and issue areas, the Twin Cities region can achieve greater levels of racial, social, and economic equity. Partners on the EquityNow Twin Cities leadership team include:

- Joo Hee Pomplun, Asian Economic Development Association
- Chaka Mkali, Hope Community
- Deanna Foster, Dayton’s Bluff Community Council
- Malik Shabazz, Holt Harrison Neighborhood Organization
- Daniel Yang, Native American Community Development Institute
- Owen Duckworth, Maura Brown and Ebony Adedayo, Alliance for Metropolitan Stability
- Danielle Mkali and Repa Mekha, Nexus Community Partners
- Ned Moore, Minnesota Center for Neighborhood Organizing
- Neeraj Mehta, Center for Urban and Regional Affairs (CURA)

Visit equitynowtc.org for more information.
Communities must be bridged to encourage more equitable policy making and public investment.

- Academic achievement of students of all races is critical for our region to be economically competitive. As early as elementary school, a sizable achievement gap exists between white students and students of color. Large numbers of students of color are dropping out of high school, and few are seeking the postsecondary education that the jobs of the future will require. Students of all races must be prepared for the workforce.

- Employers must play a role in ending racial disparities. People of color are facing significantly higher rates of unemployment than whites. This employment gap means the Twin Cities will already be starting from a deficit when creating the workforce of the future. Employers can change this trend by putting their own proequity policies in place.

- Pathways to Criminal Justice Reform. Our state has the worst black-white imprisonment ratio in the nation, with more than 25 black Minnesotans imprisoned for each white resident, despite the fact that significantly more white people live in the state. State Demographer Sarah Brower illustrated this point more clearly by stating that young black males are more than six times more likely to be incarcerated in Minnesota than to live in college housing. These shocking data merit significant attention to criminal justice reform in our state.

- A holistic approach is needed to solve these complex problems. The problems facing communities of color are interrelated and must be approached with holistic solutions. A well-rounded approach to these problems must recognize that environmental, educational, and employment disparities are interdependent.

Minnesota offers many resources and is known as the best in the nation at many things—except racial equity. So how can the state solve these problems? Leaders present at the roundtable said that institutions need to find ways to build space for a cultural shift that will simultaneously open the doors to economic opportunity for people of color, as well as benefit all people by reinvigorating the state’s economy. Part of that shift includes ensuring that the rooms where big decisions are made are not just filled with white people, said Chris Stewart of the African American Leadership Forum. “Decisions are being made every day, and the rooms don’t look like this one,” he said, referring to the diversity around the table at the August meeting. “The social intelligence is missing. How can you lead the nation in everything except the inclusion of your own people?”

Several participants said that the Twin Cities region can only be successful if leaders flip the prevailing narrative about race. Rather than talking about communities of color as deficits or liabilities, leaders should focus on highlighting the assets these communities contribute to the region’s culture, its quality of life, and its economy. “We can’t just be invited to respond to plans, we have to be at the table and on committees where decisions are being made,” said Repa Mekha of Nexus Community Partners. “We need to be planning for equitable outcomes, not just hoping they happen.”

For many people, equity is a moral imperative. However, it is increasingly obvious in our country that as communities of color grow, equity is also an economic imperative. As former Minnesota senator Paul Wellstone famously said, “We all do better, when we all do better.” From infrastructure investments to education, health, and employment, targeted investments that advance the well-being of communities of color also advance the well-being of the greater region. An equity framework truly could be the rising tide that lifts all boats.

Neeraj Mehta is director of community-based research at CURA and a 2011–2013 Bush Foundation Leadership Fellow. He is a graduate of the Hubert H. Humphrey School of Public Affairs. Tracy Babler is the development and communications director for the Alliance for Metropolitan Stability. She is a graduate of the Humphrey School of Public Affairs.