
The logo for the magazine 'FOCUS' is rendered in a bold, red, sans-serif font. The letter 'O' is stylized as a circular graphic composed of several segments, resembling a camera lens or a target, with a white center.

The monthly magazine of the Joint Center for Political and Economic Studies

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Sacrificing Liberty for Safety

Among the many words of wisdom from Benjamin Franklin is this particularly relevant message for the nation's current crisis: "They that can give up essential liberty to obtain a little temporary safety deserve neither liberty nor safety."

This lesson from one of America's Revolutionary War patriots deserves special attention as the executive and legislative branches direct the domestic front of the war against terrorism.

While special times call for special actions, our nation must be mindful and protective of the rights and liberties in the Constitution. A number of measures recently approved by the White House and Capitol Hill give good reason for concern that our leaders too quickly sacrifice liberty in the name of safety.

Perhaps the clearest example of this is the ethnic profiling reported by my colleagues, Michael Wenger and Sheila Collins, in this issue of FOCUS. U.S. residents of Arab and South Asian descent have been the targets of harassment and official profiling since the first suspects in the September terrorist attacks were identified.

Detaining and questioning people on the basis of race or ethnicity is wrong and counterproductive. The Justice Department could undermine its investigation into the attacks and its effort to prevent others by tactics that alienate Muslims and people from targeted countries.

African Americans, of course, have led the fight against racial profiling, as the Joint Center has previously detailed. It's noteworthy that one of the first law enforcement officers to challenge the Justice Department's questioning of 5,000 Arabs and South Asians was the acting police chief in Portland, Oregon, who happens to be black.

The secrecy surrounding the government's detention of more than 1,100 suspects runs counter to America's reputation as an open society. Furthermore, a number of those detained complain that their Constitutional rights, particularly adequate access to an attorney, have been violated.

While the administration insists the right to an attorney has been protected, Attorney General John Ashcroft says conversations between certain suspects and their attorneys are no longer private. He has issued rules allowing the FBI to eavesdrop on otherwise privileged discussions between the incarcerated and their lawyers.

In addition to the detentions and interviews, the government also has given itself or has proposed to take increased authority in several other areas. Ashcroft is considering a plan to relax rules against domestic spying by the FBI, according to *The New York Times*.

This has a familiar ring for civil rights veterans. Ashcroft's plan would weaken guidelines imposed after abuses in the Bureau's domestic surveillance operation, dubbed "Cointelpro," were exposed in the 1970s. Cointelpro was aimed at Martin Luther King Jr. and the Black Panthers, among others.

Because of experiences like that, it's understandable that poll data indicate black Americans worry more about the

recent law enforcement initiatives than do white citizens. For example, an NPR/Kaiser Family Foundation/Kennedy School of Government poll said 69 percent of black respondents fear the government will use its new authority against African Americans, compared to 37 percent of whites. Other poll questions indicate African Americans generally support President Bush's anti-terrorism efforts.

While condemning terrorism, black leaders have been in front of efforts to protect the civil rights and civil liberties of all people in America, regardless of race and even citizenship. They are fighting the good fight, just as the war against terrorism is a good cause. This is not a zero-sum game. There is no reason we must sacrifice our liberties in order to win the fight against terror. ■

PRESIDENT



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Post September 11

Racial Profiling Gets a New Lease on Life

By Michael Wenger and Sheila Collins

Racial profiling has been a topic of increasing concern among people who care about racial justice. “Driving While Black,” the shorthand expression for the unwarranted frequency with which police officers target young black men for traffic stops, has become a commonly used phrase as studies confirm its reality. “Shopping While Black,” shorthand for the unwarranted frequency with which merchants follow black shoppers out of fear they might steal, has gained currency as well. In cities from Boston to Los Angeles, African Americans and Hispanics frequently reported being stopped by police and harassed by retail store clerks for no apparent reason other than their skin color.

Until September 11, most thoughtful people committed to racial justice had little trouble making up their minds that racial profiling was wrong. Clearly, there was no justification for targeting people simply because of the color of their skin, their ethnic heritage, or other elements of their appearance. But in the wake of the September 11 terrorist attacks, allegedly at the hands of Al Qaeda members, many people, including government officials, are rethinking their views.

Some African Americans, who on September 10 would have decried the practice of profiling, now admit that they can tolerate such a practice focused on people who appear to be from Arab and other Muslim countries. One security officer in Seattle, quoted by *The New York Times*, recently summed up what many are feeling: “I’m a black American, and I’ve been racially profiled all my life, and it’s wrong.” But he admitted that if he saw a small knot of men who appeared to be of Middle Eastern descent boarding a plane, “I’d be nervous. It sickens me that I feel that way, but it’s the real world.”

Forfeiting Moral Authority

In addition to the tragic loss of lives as a result of the terrorist attacks, we are witnessing a public reaction that threatens to scuttle our struggle to ensure equal treatment and equal opportunity for all Americans. If we permit our fears to justify the profiling of members of the Arab and Muslim communities, we will forfeit the moral authority and integrity to effectively challenge the ongoing profiling of African American and Hispanic people.

In the weeks following September 11, Arab Americans, Muslims, and people mistaken for Muslims became the targets of profiling — and sometimes violence — simply

because of their physical appearance or dress. On the street, in stores, and on public transportation, people have been shunned and even attacked because of the way they look. Women who wear veils became fearful of going outside, children were taunted by other children, and men have actually been asked to get off airplanes because other passengers were afraid to fly with them. Mosques have been vandalized, and hundreds of hate crimes, including several that have resulted in deaths, have been reported.

The federal government has now weighed in with its own brand of profiling. Law enforcement authorities rounded up and detained Arabs and Muslims for little reason other than their ethnicity or religion. In October, Congress overwhelmingly passed the U.S.A. Patriot Act, which significantly increased the government’s ability to detain and deport foreigners. Without legislation or congressional approval, the Bush administration sharply expanded the federal authority to jail non-citizens and increased its scrutiny of foreign students.

Reminiscent of J. Edgar Hoover

Additionally, the Patriot Act knocked down long-standing barriers that prevented certain information sharing between the FBI and the CIA. “As long as the targets are non-Americans, they (FBI) can now sweep up and distribute, without limitation, information they gather about Americans,” Morton Halperin, co-author of a legal text on national security law, told *The Washington Post*. This harkens back to the 1950s, when Sen. Joseph McCarthy publicly and indiscriminately branded people as Communists on flimsy or no evidence. It is also reminiscent of how former FBI Director J. Edgar Hoover targeted people whose lineage or political views he disliked for illegal surveillance and harassment. Among Hoover’s most prominent targets was Dr. Martin Luther King, Jr.

Even without this new legislation, the FBI detained and imprisoned Arab and Muslim men in ways that threatened their civil rights. Being in the same place as or having a name similar to that of a suspected terrorist was sufficient to detain law-abiding residents despite no evidence of any connection to terrorism. The Justice Department acknowledged that over 1,100 people had been detained before officials stopped releasing the count. By the end of November, 548 people remained in federal custody. That number does not include those being held on state and local charges. The FBI currently has a list of 5,000 people, most of them reportedly from Muslim countries, in the United States whom the authorities are questioning.

Continued on page 4

Michael Wenger is director of the Network of Alliances Bridging Race and Ethnicity (NABRE), a program initiative of the Joint Center. Sheila Collins is NABRE’s network community manager.

September 11

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Also chilling are recent comments by two Republican members of the House who plan to run for the Senate in 2002. Georgia Rep. C. Saxby Chambliss, who chairs the House Subcommittee on Terrorism and Homeland Security, recommended to state law enforcement personnel that they “just turn [the sheriff] loose and have him arrest every Muslim that crosses the state line.” Louisiana Rep. John Cooksey suggested that law enforcement officials should question anyone wearing “a diaper on his head and a fan belt wrapped around the diaper.”

All the news, though, is not bad. Defense lawyers, civil libertarians, and ordinary citizens have rallied to the defense of the victims of such profiling. A growing number of public officials have begun to criticize what they view as an oppressive redefinition of the line between law enforcement and civil liberties.

Rep. John Conyers, the ranking member of the House Judiciary Committee, recently warned that “history has taught us that we should not use the threat of violence as an excuse to suppress legitimate constitutional rights and liberties.” In Portland, Oregon, acting police chief Andrew Kirkland refused a request by the Justice Department to help in interviewing Middle Eastern immigrants. Recalling his days as a black youth confronted by police in his hometown of Detroit, Kirkland declared that the law “does not allow us to go out and arbitrarily interview people whose only offense is immigration or citizenship.”

NABRE's Online Community

The Joint Center's NABRE (Network of Alliances Bridging Race and Ethnicity) program has collected and shared with its 150 member organizations examples of how people can reach out and support their Arab American and Muslim neighbors. The St. Louis Regional Office of the National Conference for Community and Justice (NCCJ) suggests worshiping with Muslims, contacting public institutions and officials to encourage their continuing support for targeted groups, and making personal connections with Arabs and Muslims. Kansas City Harmony suggests writing letters to newspapers, and dedicating a bulletin board at houses of worship to issues of scapegoating and negative racial stereotyping.

Because it seemed essential to create a place where many can engage in reasoned dialogue on the issue, the Joint Center, through NABRE, has collaborated with AOL (America Online) and the Greater Boston Civil Rights Coalition (GBCRC) to explore whether the Internet can provide a safe and constructive opportunity for people to discuss the issue of racial and ethnic profiling and to overcome their fears and stereotypes. During a three-week period in November, visitors to the AOL Local Boston News page were encouraged to participate in an online discussion of racial and ethnic profiling.

The collaboration actually began November 1, when the Boston Coalition sponsored “Civil Rights and Security: The

Dangers of Profiling,” a forum at the Boston Public Library. One of the more disturbing stories was told by Navroop Singh, a panelist representing the New England Sikh Study Circle. “On my way to a meeting at the attorney general's office,” Singh recalled, “three security officers stopped me, tried to pull off my turban, grabbed my comb ... questioned my nationality.” Ironically, Singh, an American citizen of South Asian heritage, is one of several religious leaders working with Massachusetts Attorney General Tom Reilly to strengthen ties between law enforcement and religious groups in order to prevent hate crimes.

Noting that police officers are not the only ones guilty of racial profiling, Special Agent Richard Egan, head of the FBI's civil rights and public corruption units in Boston, said at the forum that his office receives up to 1,000 calls daily about suspicious activity, many based simply on a person's appearance. He said the FBI only follows up on calls alerting them to certain types of behavior, not appearances.

Contagious Profiling

But, as members of the black and Hispanic communities know first-hand, appearances have long played a strong role in law enforcement. David J. Harris, of the Fair Housing Center of Greater Boston, labeled racial profiling as “a danger to America. [The rights] we lose today,” Harris warned forum participants, “we will never regain. Racial profiling is a communicable disease. It spreads by contagion from the police on the beat, to the security at the airport, to the customer at the post office, to the stranger on the street.”

Nancy Murray, of the American Civil Liberties Union of Massachusetts, described America's historic willingness to punish those who look different or think differently during times of crisis, such as the forced internment of Japanese Americans during World War II.

The current crisis is leading many to conclude that the terrorist attacks justify some level of racial/ethnic profiling. The safety of the nation, they evidently believe, makes it permissible to treat a selected group of people differently from others simply because of their physical appearance or religious faith. Visitors to the AOL Local Boston News web site, in addition to being encouraged to share their views on racial and ethnic profiling, were asked: “As a result of the events of September 11, do you think that racial/ethnic profiling is justifiable?” More than 40 percent of the 206 respondents during a one-week period answered “Yes.” It is telling that the bombing of the federal building in Oklahoma City in 1996 by a white American male did not produce the same reaction toward white men.

One comment posted on the AOL bulletin board seems to crystallize the danger we confront and the action we must take: “The loss of...freedom through racial profiling would be the terrorists' ultimate victory. We must expand our education efforts, beginning with our schools, to understand, respect and cherish our differences.” ■

The Joint Center is planning a series of forums on the impact of September 11 on African Americans. The first will be held January 15, 2002, at the National Press Club in Washington, D.C.

Minority Firms Can Survive the Recession

Minority Business RoundTable Members Explain How Everyday Survival Skills Prepare Firms on Tight Budgets to Endure a Slow Economy

By Frank McCoy

America's post-September 11 economy is being pelted by problems from all sides. At the basic level, consumers, whose purchasing power is equal to two-thirds of the nation's gross national product, as well as corporations, have cut back heavily on their purchases of goods and services.

This leering to spend has rippled through the economy nationwide, hitting the hospitality and travel-related industries particularly hard. In response to lowered sales and expectations and faced with mounting inventories, companies are shedding expenses and workers. And as if that weren't enough bad news, in November the National Bureau of Economic Research confirmed what most of us already suspected: the U.S. is in recession.

But there is a positive note amidst this gloomy business news. Black, Hispanic, Asian, and Native American CEOs may be uniquely positioned to ensure that their firms not only survive the recession, but also prepare the groundwork to thrive when the economy finally recovers.

Compared to their mainstream counterparts, even the most successful minority-owned firms are accustomed to operating on a shoestring. Thus, says Janice Bryant Howroyd, CEO of ACT • 1 Personnel Services, it is a tragic irony that September's terrorist attacks have made the business playing field somewhat more level for everyone.

Experience With Less

Howroyd, whose Los Angeles operation specializes in technical and bio-medical personnel placement and systems management, says minority firms have never bought and sold in a capital-rich, comfortable environment. But during the past decade — by dint of hard effort and federal initiatives — they drew closer to parity than ever before. Now minority chief executives and their majority counterparts face the same unsettling business decisions concerning what and who must be sacrificed to survive.

"Our advantage," says Howroyd, "is that we have always known what it is like to operate with less and in a season of discontent."

Recently, FOCUS put the issue of how minority businesses are surviving and preparing to expand during this crisis before members of the Minority Business RoundTable (MBRT). The Joint Center for Political and Economic Studies founded the group in 1999 as the first membership organization for minority CEOs, including Howroyd, of leading companies owned by African Americans, Native Americans and Alaska Natives, Hispanic Americans, and

Asian Americans. MBRT's goal is to help these CEOs analyze public policy issues and devise strategies to strengthen and expand minority-owned companies.

During the last several years, minority-owned businesses have made great strides. The Commerce Department's 1997 Survey of Minority Owned Business Enterprises, released last July, showed that during the previous decade, the number of minority-owned firms grew more than four times faster than the number of all U.S. firms.

But the fact remains that despite their advance in numbers, the average size of minority-owned businesses remains much lower than that of non-minority firms as measured in total receipts and employment.

Small Business Strategies

Hector V. Barreto knows there are many strategies that small business owners can use to conserve and advance their firms. As administrator of the Small Business Administration, he offers his agency as a key resource to hone entrepreneurial skills, acquire technical assistance, and to apply for long-term loans. "There is a lot of capital available for small businesses, but what and how much they should take depends on how their needs match up with the appropriate uses. The SBA can help the CEOs figure out that match-up," says the former chairman of the Latin Business Association in Los Angeles.

Lack of cash may not always be the issue, says Margaret C. Simms, the Joint Center's vice president for research. Simms thinks veteran minority CEOs — those with firms more than a decade old — are tough and wily enough to ride out a recession. But she believes they now face contradictory forces. Historically, most minority firms were undercapitalized. Now CEOs of firms with good track records can secure loans with historically low interest rates and also attract funds from a small host of minority-oriented venture capital investors.

"But why should they?" she asks. "There is no reason to borrow capital to expand when there is no business to do [in this environment]. If you already have excess capacity, you are not going to run out and get more."

Instead, she suggests that minority CEOs consider other strategies. These include using capital to outlast or perhaps purchase their competitors, diversifying customer bases, and building strategic partnerships with non-minority owned firms.

Now that the Internet bubble has burst and in the wake of September 11, business life has gotten tough for many

Minority Firms

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industries, says Harriet R. Michel, president of the National Minority Supplier Development Council, Inc. (NMSDC). Though the balance sheets and income statements of minority companies that supply goods and services to the automobile and telecommunications industries have been rocked particularly hard, she does not expect major players, such as the Big Three automakers, Lucent Technologies, and AT&T Corp., to end their minority supplier programs.

As 2001 ends, the NMSDC reports that the country's biggest corporations will have purchased more than \$50 billion in goods and services from minority business enterprises. The purchases won't stop next year. But as industries realign, Michel predicts that their purchase orders may shrink, resulting in a shakeout among contractors and subcontractors. That possibility is forcing firms to look for new customers and new alliances.

It is not as if they have a choice in the decision. If they want to stay in the game, business owners will have to accept the reduced orders they receive from their major clients. To do otherwise could be fatal. "When a large minority contractor shuts its doors, it is not just the business that is lost, but also the energy, effort, and time that it took to forge a business relationship," Michel says.

Crucial Core Strengths

In uncertain times like these, returning to one's core strengths is crucial, says John F. Robinson, the president of the National Minority Business Council, Inc. It doesn't matter that small firms may lack the financial cushion that large companies have, Robinson argues, because most minority CEOs have the experience of doing more with less to survive anyway. The tricky part, he believes, is finding ways to reduce daily costs to the lowest common denominator while simultaneously maintaining service and quality. Although the push-pull nature of that effort may appear contradictory, Robinson says that "if a firm can't keep costs down, it won't be able to buy the vital goods and services needed to fulfill its contractual obligations. Then it'll lose more business."

Similar themes were stressed by Ronald N. Langston, national director of the federal Minority Business Development Agency, when he spoke before minority business owners at a conference this autumn. Langston said CEOs have to fight pessimism and instead find ways to regroup, rethink, reassess, and readjust their competencies. "They may also need to learn to work with other firms in a new way," he said. "They can't be afraid of that possibility, but see it as an opportunity to grow and create new income streams."

The notion is nothing new to Beatriz (Betty) Manetta, CEO of Edison, NJ-based Argent Associates, Inc., and an MBRT member. The firm provides inventory control, materials management, and logistics for telecommunications companies such as SBC and AT&T. In her industry, Manetta says, some companies have folded, most have laid off workers, and "all are chasing the same crumbs" of work.

Growing Cautiously

Manetta follows the same advice she gives to other CEOs: One, if you are going to grow, do it cautiously. Don't run out and buy lots of assets just because you have won one big contract. Two, remember that the best time to save and manage costs is when your firm is doing well. Stockpile the cash. Three, don't put all your eggs in one industry. Manetta points out that Argent provides its services to the pharmaceutical and cosmetics industries, not just telecommunications firms. Four, avoid complacency. Assume there is always something new to learn about your industry.

Over the years, most minority companies with successful track records have learned many hard lessons, in the view of Earl G. Graves, Sr., publisher of *Black Enterprise* magazine. And this education through adversity gives their CEOs an unusual advantage. Most are never overly optimistic. "The CEOs of the mature firms," this MBRT member says, "are already in recessionary mode when business is [just] slowing down. That's because they function in an environment where anything can happen and they want to be ready for it."

But younger CEOs have their own strengths as well. Graves believes that the new generation is better educated and better connected than its predecessors. As a result, when a recession unfolds, "they may make new mistakes but they will not make the (same) old mistakes."

They might also come up with new strategies to cope. Since 2000, when the decline of the web-based economy began to accelerate, Telamon Corp., a broadband communications company in Carmel, Indiana, has watched its industry contract and revenues slide. As a result, CEO and president Albert Chen, another MBRT member, applies

Continued on back cover

Resources Business Owners Can Use

The **Minority Business Development Agency** is the only federal agency directed by executive order to foster the growth of minority-owned businesses. www.mbda.gov

The **Minority Business RoundTable™** is a national membership organization of leading African American, Hispanic American, Asian American, and Native American owned businesses. www.jointcenter.org/mbrt

The **National Minority Business Council, Inc.**, helps minority CEOs expand their domestic and international trade. www.nmbc.org

The **National Minority Supplier Development Council** matches more than 15,000 minority firms with more than 3,500 of the largest domestic and international corporations who want to buy goods and services. www.nmsdc.org

The **Small Business Administration** provides technical, financial and management assistance to the nation's 25 million small businesses. www.sba.gov

Jobless Benefits Help Economy

Increasing the Income of the Jobless Would Help Everyone

by Peter Orszag

The key objective of an economic stimulus is to expand demand for goods and services. The more that any stimulus measure adds to spending, the more effective it will be in short-circuiting the economic slowdown.

Unemployment insurance is a particularly effective stimulus. Not surprisingly, job loss is often associated with a decline in consumption, which then reduces demand for other goods and services as part of a negative cycle of increasing unemployment and declining economic activity. The unemployment insurance program helps to break this negative cycle. By partially compensating for lost income, it lessens the reduction in spending that unemployment can cause.

The crucial role played by unemployment benefits in limiting declines in consumer spending is underscored by recent academic research showing that the amount a family spends on food falls by seven percent, on average, when the head of a household becomes unemployed, but would decline by 22 percent in the absence of unemployment benefits. Other research confirms that the unemployment insurance system has been an extremely effective mechanism for stabilizing the economy during a downturn. Both unemployment insurance and the tax system are “automatic stabilizers” — they help to reduce the severity of a recession by automatically supporting spending during a downturn. Recent academic research has shown that, dollar for dollar, the unemployment insurance system is eight times as effective as the entire tax system in mitigating the impact of a recession.

Benefits Well Targeted

Unemployment insurance benefits are well targeted in several ways. They go only to involuntarily unemployed workers, are provided disproportionately in areas and industries that have been hit hardest by the slowdown, and they automatically decline when unemployment rates go down. This targeting explains why temporary expansions in unemployment benefits would be an effective means of providing additional stimulus to the economy. Households with an unemployed worker usually have experienced a significant decline in income, so their normal level of spending exceeds their current income. The unemployed therefore are very likely to spend a high percentage of any additional income they receive during their period of

unemployment. As Nobel prize-winning economist Joseph Stiglitz recently wrote in the *Washington Post*, “give money to people who have lost their jobs in this recession, and it would be quickly spent.”

Despite the potential for unemployment insurance to play a significant role as a stabilizing force in the current economic downturn, the effectiveness of the unemployment insurance program at the present time is less than it should be. This is the case for three reasons: (1) the criteria for providing additional weeks of benefits to workers who have exhausted their 26 weeks of regular benefits are excessively restrictive, and no extra weeks of benefits are currently being provided anywhere in the country; (2) certain eligibility rules for unemployment insurance are outdated and often prevent steady part-time workers from receiving benefits when they are laid off; and (3) benefit levels are rather low. Instituting temporary expansions in the unemployment insurance system to address these three shortcomings, as the Senate Finance Committee bill would do, would carry a high “bang for the buck” in terms of economic stimulus.

Opposition to Expansion

Those who oppose such temporary expansions in unemployment benefits often argue that the changes would merely reduce the incentives for workers to find jobs. In addition to ignoring the impact of the additional spending created by the expansion in benefits, this concern seems to be less relevant in a deteriorating job market. As the economy slows, longer spells of unemployment are more likely to reflect scarce job opportunities, rather than lack of effort in finding a new job. How many people would be willing to remain unemployed in the middle of a recession in exchange for an extra \$25 or so per week?

Expanding unemployment insurance benefits also offers another advantage — it provides economic stimulus when it is needed without causing any damage to the long-term budget outlook. Expanding these benefits temporarily during the downturn has no ongoing cost (apart from a small increase in interest payments from the temporary increase in spending). The unemployment insurance program is able to target the pockets of the economy that need the most stimulus, effectively limit the decline in consumption among those who become unemployed, and dampen the severity of the recession. Temporary expansions in unemployment insurance to extend benefits beyond 26 weeks, cover part-time workers, and raise benefit levels would provide a cost-effective stimulus to the economy in the months ahead. ■

Peter Orszag is the Joseph A. Pechman Senior Fellow in Economic Studies at the Brookings Institution. This article is reprinted with permission from the Center on Budget and Policy Priorities.

Minority Firms

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external and internal strategies to help his company cope. Outside his firm's walls, Chen's emphasis is on fortifying customer relations, reducing costs, adding value, and finding more outsourcing opportunities. Inside, he says, the watchwords he advises other CEOs to heed are "reserve cash and assets, look for a sales surplus, and reduce expenses."

Wallace K. Tsuha is an optimist about the recession but more pessimistic about the financial prospects of minority firms in 2002. He is the CEO of Saturn Electronics & Engineering, Inc., the Auburn Hills, Michigan, company that supplies to the automotive, computer, and telecommunications end-markets. The MBRT member says small companies are facing continued cash flow problems as inventory piles up, orders dwindle, the receipt of receivables slows down, and expenses remain constant. "The impact of the cash flow will severely jeopardize the ability of minority and small business to survive," he says.

In response, Tsuha advocates a detailed plan. It links corporate survival to the CEO taking the right steps.

These include:

- Matching overhead with the reduced revenue stream through plant closures, employee reductions, reduced expenses, or asset sales.
- Managing cash flow, watching every penny of expense, and delaying making any expenditures "because cash is king today."
- Putting extra effort into collecting receivables through phone calls and customer visits.
- Considering carefully which customer receives credit. If your customer goes bankrupt, so may you.
- Lowering your break-even numbers to match your current revenue stream.

"Minority and small businesses should move with an extreme sense of urgency to reduce their costs," Tsuha warns. "Each day of delay could bring their company closer to bankruptcy. Protect yourself." ■

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POLITICAL REPORT

Young African Americans: Less Politically Involved

by David A. Bositis

Independent voters are generally perceived as people who carefully examine candidates from all factions and then make choices based more on policies and programs than party.

In reality, independence doesn't compel people to go to the polls. Independents vote at much lower rates than those who identify themselves as Democrats or Republicans. The stronger the partisanship, the more likely one is to vote.

Lack of partisanship among younger African Americans has a direct bearing on their low rates of political participation, voting in particular. Only 36.1 percent of the young African American adults (all between the ages 18 and 35) interviewed in a recently released Joint Center survey characterized themselves as strong partisans. The study outlines the problem of low voting rates among young black adults and indicates the need to get this population group more involved in the political system.

The Value of Partisanship

Though still a significant majority, the proportion of young African American adults who identify them-

selves as Democrats is only 62 percent, substantially less than the 80 percent of older blacks who do so. Despite the lower level of support for Democrats, young African American adults do not side with Republicans—only six percent identify with the GOP. Instead, 30 percent identify themselves as independents.

When independents were asked if they leaned to one party or another (termed “weak identifiers”), the Democrats' total increased to 76 percent and the Republicans' to 11 percent. The significance of generational differences is quite clear. Older African Americans are much more likely to be partisans and to vote. Black seniors voted at 3.5 times the rate of black 18-24-year-olds in 1998.

As in the U.S. population as a whole, 18-35-year-old black women are more Democratic (70 percent/81 percent with weak identifiers) than young black men (52 percent/69 percent with weak identifiers); 18-35-year-old black men are almost twice as likely to characterize themselves as independent (39 percent) as are young black women (22 percent). Unlike white males, few young black men identify with the Republicans.

In addition to gender, education also influences partisan choices. Among young black adults, those with at least some college are more likely to identify with the Democrats (68 percent) than are those with a high school education or less (54 percent).

Alarming Voting Rates

In the 1998 election, the last one for which Census data are available, only 13.2 percent of 18-24-year-old black men voted, and only 18 percent of corresponding black women voted. Even among the next age cluster of African Americans (25-44), only 33.7 percent of men and 39.5 percent of women voted.

The numbers are actually more alarming than they seem at first glance because the Census Bureau's Current Population Survey (CPS) tends to overstate voter turnout. These low rates of participation weaken black political power today and could continue to do so in the future. About 62 percent of the African American voting age population is under the age of 44.

Of those survey respondents who said they vote in every election, Democrats were more likely to vote than Republicans (46 vs. 35 percent), women were more likely than men (47 vs. 34 percent), and those with at least a college degree were more likely than those with a high school diploma or less (51 vs. 30 percent).

When the 54 percent of the respondents who indicated that they do not always vote were asked which of a set of reasons applied to them, their responses indicated clear age-group differences. Almost 42 percent of the 18-35 black irregular voters cited “neither candidate is worth supporting.” A majority of them — 56.1 percent — said they did not

always vote because “politicians don’t keep their campaign promises.”

About one-third of them said they did not vote because “their one vote won’t make any difference to the outcome” (31.4 percent) or that “not voting is a way to show dissatisfaction with the system” (33.8 percent). Finally, almost half (47.5 percent) said they did not always vote because “they don’t have enough information about the candidates.” In no case did the response of voters over age 50 to the listed reasons for not voting exceed 7.8 percent.

While there was some variation across subgroups regarding these reasons for not voting, one subgroup consistently stood out—political independents. Although 54 percent of Democratic and Republican partisans said they always vote, this was true of only 28 percent of independents.

Other Political Activities

Those with a college or advanced degree were the most likely to say they frequently talked about politics (33 percent). Only 16 percent said they regularly talk about politics with their parents or family; 40 percent said not very often. Again, those with a college or advanced degree — 32 percent — were the most likely to say they regularly talk about politics with their parents or family.

Few young black adults devote much of their free time to political activities more demanding than talking politics or voting — activities such as registering voters, attending rallies and meetings, working for candidates or campaigns, or writing letters. Only one-in-eight said they spent a great deal of time (3.5 percent) or some time (8.8 percent) on such activities, a majority (56 percent) said they did not spend any time on such activities, and another 30 percent said they spent very little time. Those with at least a college degree were most

likely to be active, with 5.8 percent saying they spent a great deal of time, and 15.7 percent saying they spent some time, on such activities.

Less than a quarter (24 percent) of the young adults in the survey said they frequently talked about politics with friends or neighbors; 47 percent indicated they seldom or very rarely talked about politics. Only 40 percent of this group said they read a newspaper every day, but when combined with those who reported reading a newspaper at least a few times a week, the figure is 79 percent.

One thing nearly everyone does is watch television news. Almost two-thirds of those surveyed said they watched the news daily, and just under one-third said they do this a few days a week.

TV news watching apparently doesn’t make the respondents well informed. As is true for the American population generally, about 73 percent of those surveyed could not identify their own congressperson. In the

midst of the 2000 Presidential race, just 53 percent could identify both major party presidential candidates.

Survey figures may be bland and dull, but they illustrate a need to energize an important segment of the black community. A growing class of young, black, politically independent, yet less politically active adults should be a cause of concern to black elected officials in particular. It represents the potential reduction in the African American vote and black political power.

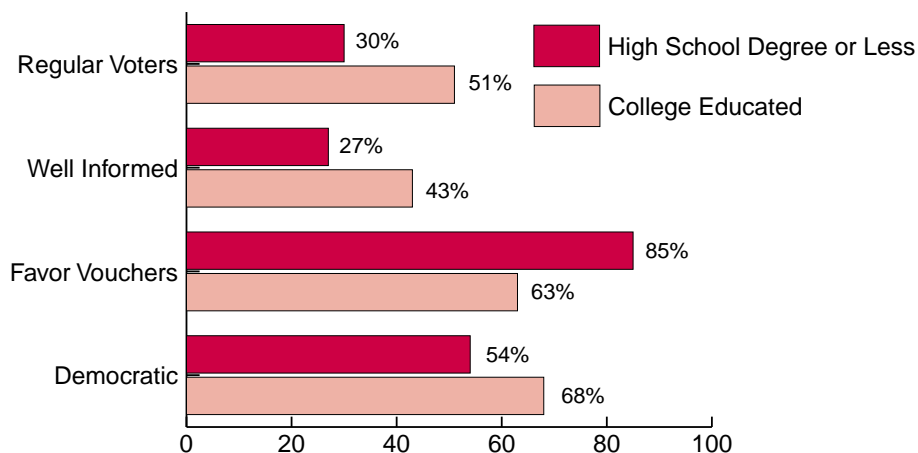
Politicians who do not ask young adults to vote, who do not pay attention to their issues, or who do not make genuine attempts to bring youth into political campaigns run the risk of losing a vibrant source of support. This hurts more than any one politician or campaign. It hurts democracy. ■



For more information on this and related topics, visit our website.

Political Attitudes, by Educational Level

African Americans, Ages 18 to 35



Source: Joint Center for Political and Economic Studies

ECONOMIC REPORT

Equal Education Remains Elusive Years After Brown

by Kitty Garber

Almost 50 years after the *Brown v. Board of Education* decision derided the nation's segregated schools as inherently unequal, the gap in academic achievement between black and white students not only persists, but is actually widening.

The National Black Caucus of State Legislators (NBCSL) challenged state governments to correct that situation with the release of a recent report on "Closing the Achievement Gap." It urges state legislators to take immediate action on funding for proven reforms. The NBCSL study examines the achievement gap, its causes, recent research, and proposed reforms. In particular, the study looks at the possible effects of the current emphasis on standards, high-stakes testing, vouchers, and charter schools. The recommendations outline a strategy for supporting African American students at high risk of academic failure.

Blueprint for State Action

The study advances four broad strategies for eliminating the achievement gap:

1. *Set high academic standards that all students are expected to meet.*

To help them meet those standards, schools must make appropriate changes to the curricula, teacher training, and assessments. With the current emphasis on high-stakes testing, the study also warns against the use of single tests as the basis for important educational decisions, such as promotions and retentions. Instead, it suggests that these test scores

should be part of an overall assessment bolstered by scores from other tests, teacher observations and recommendations, grades, and other indications of student performance.

2. *Reduce class size.*

This is the single strategy that has shown the best results for African Americans and other minorities. Although all children benefit from smaller size classes, research has shown that the effects are particularly strong for at-risk children in low-income schools. The benefits of smaller class size in the first years of schooling have been shown to persist throughout the student's academic career. Smaller classes (15 or fewer students) allow teachers to give more attention to each student, ensure that students are engaged, deal effectively with discipline problems, and detect learning problems early, particularly those involving crucial reading skills.

More manageable classes are also likely to foster the retention of qualified and experienced teachers. Class size reductions, according to the report, should begin with kindergar-

ten and gradually extend to the higher grades.

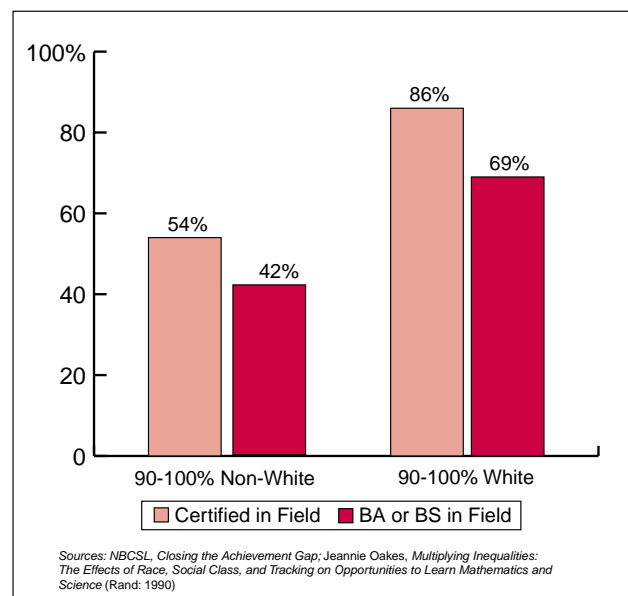
3. *Hire and retain highly qualified teachers.*

This requires increasing teachers' salaries to make them more in line with those of other professionals with comparable education and training. States should offer incentives to attract men, persons of color, and people with needed specialties to the teaching profession. Retaining highly qualified teachers should be encouraged through such incentives as reduced workloads, master teacher programs, student loan forgiveness, and professional development courses.

4. *Increase funding.*

While money alone cannot improve educational opportunity, without sufficient funding there is no chance of improvement. The study recommends that low-performing schools be redefined as high-priority schools. The NBCSL "action plan" advocates a national campaign "to drive home the urgency of investing in public schools."

Math and Science Classes of Mostly Minority Students Are More Often Taught by Underqualified Teachers



The Extent of the Gap

Taking action to eliminate the achievement gap is essential because research indicates that the educational gap between white and minority students is sizable and continuing to grow. Census data show that out of every 100 white children who begin kindergarten, 91 will graduate from high school, 62 will compete at least some college, and 30 will get their bachelors degree. For African American kindergartners, the statistics are much different: Out of 100 African Americans who begin kindergarten, only 87 will graduate from high school, 54 will complete some college, and a meager 16 will obtain their bachelors degree. Test results are equally discouraging, with African American students lagging behind in their white peers in reading, science, and math evaluations.

Poor reading skills are particularly worrisome because reading is the key to all other learning. Although recently released data from the Department of Education show little change in the last decade in overall reading level, this finding masks a growing disparity between the best and the worst performers. Those at the bottom actually are doing worse, those at the top are improving, and those in the middle have remained at about the same level. In science, black 13-year-olds scored approximately the same as white 9-year-olds. In math, minorities are about two years behind their white peers.

Other recent studies have shown that minority students, particularly African American boys, are more likely to be placed in special educational classes, thereby reducing their educational opportunities. While over represented in special education, African Americans are under represented in advanced placement (AP) classes and college preparatory tracks.

For example, this year, African Americans made up only 5 percent of students taking AP tests.

Huge Funding Disparities

According to the NBCSL, the reasons for these disparities are all too obvious. African American students are much more likely than white students to attend under-funded urban schools in low-income areas. With limited financial resources, these schools have large classes, many unqualified teachers, outdated equipment, insufficient textbooks and inadequate teaching supplies, as well as crumbling and sometimes unsafe physical facilities. The schools facing the most difficult teaching challenges do so with the fewest resources: Affluent suburban schools have up to 50 percent more money per student than urban schools.

Beware of the Easy Fixes

The report stresses that the need for educational reform should not lead the nation's schools to embrace

unproven proposals with the potential to exacerbate rather than alleviate present inequalities. In particular, the report rejects both vouchers and charter schools as failing to provide any real or comprehensive solution to the problems of low-income and poor performing schools. NBCSL's report says both divert time, money, and attention from the real task of funding and implementing comprehensive, effective reforms that would serve all of the nation's minority children, not just a select few.

Beyond recommendations, the NBCSL report provides specific examples from places like Cleveland, New York, and Milwaukee where schools have implemented successful programs.

"We know what works," the report declares. "Let's fund it."

Copies of the full report are available from the NBCSL website at <http://www.nbcsl.com>.

For more information on this and other topics, visit our website at www.jointcenter.org. ■

This corrected table replaces one published in the October issue

Selected Travel and Tourism Related Jobs Held by African Americans, 1999-2001

Industry and Occupation	African Americans as a Percent of the Workforce	Number of Jobs Held by African Americans
Air Transportation		
Baggage Porters	47.4	14,055
Freight, Stock and Materials Handlers	19.8	6,143
Ticket and Reservations Clerks	15.4	16,474
Eating and Drinking Establishments		
Cashiers	23.6	134,161
Cooks	15.6	238,142
Waiters and Waiters Assistants	4.9	84,691
Hotels and Motels		
Hotel Clerks	13.3	15,171
Maids	24.1	76,944
Janitors and Cleaners	21.4	99,721

Source: Census Bureau, Current Population Survey, calculations by Joint Center DataBank staff.