Spring 2022

BERKELEY PUBLIC POLICY JOURNAL

CONTRIBUTE TO BPPJ
We welcome submissions on any policy topic for publication in our journal or on our website. For more information, please visit bppj.berkeley.edu/submissions

READ PAST ISSUES
An archive of current and past issues of the Berkeley Public Policy Journal is available at bppj.berkeley.edu/archive

CONNECT WITH BPPJ
www.bppj.berkeley.edu
facebook.com/berkeleypublicpolicyjournal
Twitter @berkeleypolicy

CONNECT WITH GSPP
www.gspp.berkeley.edu
facebook.com/goldmanschool
Twitter @goldmanschool
Instagram @goldmanschool
uctv.tv/public-policy

MAKE A GIFT
Every gift affirms the mission of the Goldman School to educate policy leaders committed to the public good. It is an investment that yields continuing returns. Visit gspp.berkeley.edu/make-a-gift to learn more.

Berkeley Public Policy Journal | Spring 2022 | BPPJ.berkeley.edu

EDITORS' NOTE

Like tender shoots, progress is fragile.

At the time of publication, we are weeks into a gruesome, unprovoked Russian attack on Ukraine. More than 3.4 million people have fled Ukraine, and dire conditions in the country signal more civilian casualties ahead.[1] Our hearts are with those in Ukraine who find themselves trapped in violent conflict, and with Russian protestors who risk their lives to stand up for justice.

Though we are horrified by the daily war atrocities committed by the Russian military, the conflict in Ukraine has exposed existential challenges that threaten both our planet and its people. We have seen, for example, that the rot of racism knows no boundaries. Black and Brown people fleeing Ukraine have faced discrimination at the border, as officials continue to favor white Ukranians over non-white escapees.[2] We have also observed differences in how refugees displaced by war are treated by the international community. Whereas white Ukranians have benefitted from an outpouring of sympathy from the global community, similar solidarity and support has not always been extended to refugees from the Global South.

The global community is also faced with twin crises of apocalyptic weight. The specter of nuclear war threatens not only our immediate sense of peace, but also the promise of progress, which flourishes best in times of peace. We also acknowledge that the politics of this moment have been complicated by the looming threat of climate change. A February 2022 U.N. report warned once again that the effects of climate change are outpacing our ability to adapt, pointing to more climate catastrophes in the years to come.[3] We can only hope that the conflict with Russia, a leading supplier of fossil fuels and natural gas, will intensify efforts to move to renewable sources of energy. At the same time, without global cooperation, efforts to ebb the effects of climate change may be insufficient.

The high stakes presented by this moment in history can, at times, feel crushing and insurmountable. However, we are reminded that on the other side of every challenge is an opportunity to refocus our collective efforts on galvanizing the kind of transformational change we envision in the world.

With this context in mind, we thank the authors and editors who contributed to this edition of the Berkeley Public Policy Journal for courageously stepping into complex policy conversations. Their work and dedication to the public good inspires us to believe that we can emerge from this moment with more resilience and love. Without further ado, we introduce the Spring 2022 edition of the Berkeley Public Policy Journal.

This issue begins with an evaluation of a federal-level social housing sector proposal by Master of City Planning (MCP) candidate, Meg Heisler. Next, Master of Public Affairs (MPA) student Nousheen Wani explores how religious nationalism in India threatens both pluralism and the democratic process in the country. Then, PhD candidates Sean Darling-Hammond and Jessie Harney investigate how perspective-broadening interventions might be implemented in public policy settings. MPA candidate Daniella Flores Alvarez describes how online platforms destabilize the democratic process and analyzes three possible interventions for philanthropic foundations. Master of Public Policy (MPP) student Sage Lawrence then examines corporate consolidation's role in diminishing economic activity in rural communities and compares proposals for addressing market concentration and rural wealth extraction. Jose Diaz Azcunaga, an MPP candidate, next explores how social media poses distinct and incremental harms to the Global South. Finally, BPPJ editors Jaemie Anne Abad, Katherine Cohn, and Shay Verger interview undergraduate students Amarpreet Kaur and Mandip Bagri about founding UC Berkeley's new student organization, Diversity in Public Policy (DiPP).

Lastly, this publication is the final edition from us as editors in chief. We are thrilled to introduce you to the new BPPJ editors in chief, Emily Jacobson and Jamie Matos. We are confident that they will lead the journal to new heights in the next year. It has been a profound pleasure working alongside digital editor in chief Ethan Azad. We thank the authors and editors who make this publication possible and hope that you, our readers, are inspired by their work.

— Katherine Cohn and Laila Heid

ENDNOTES

1. Mary Louis Kelly, "Refugees from other wars see themselves in fleeing Ukrainians," NPR, March 22, 2022, https://www.npr.org/2022/03/22/1087641245/refugees-from-other-wars-see-themselves-in-fleeing-ukrainians

2. Rashawn Ray, "The Russian invasion of Ukraine shows racism has no boundaries," Brookings Institution, March 3, 2022, "https://www.brookings.edu/blog/how-we-rise/2022/03/03/the-russian-invasion-of-ukraine-shows-racism-has-no-boundaries/

3. H.O. Pörtner, D.C. Roberts, E.S. Poloczanska, K. Mintenbeck, M. Tignor, A. Alegría, M. Craig, S. Langsdorf, S. Löschke, V. Möller, A. Okem, "IPCC, 2022: Summary for Policymakers," In: Climate Change 2022: Impacts, Adaptation, and Vulnerability. Contribution of Working Group II to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change Cambridge University Press, https://www.ipcc.ch/report/ar6/wg2/

A ROLE FOR PHILANTHROPY IN PROTECTING DEMOCRACY FROM ONLINE HARMS

DANIELLA FLORES ALVAREZ

Edited by: Aaron Tiedemann, Ethan Adelman-Sil, Emily Rae

The proliferation of misleading political content online is leading to the destabilization of free and fair elections in the United States. With the 2022 midterm cycle approaching, and the decennial redistricting process underway, this trend could have long-term consequences for the balance of political power if left unaddressed. Given the increased public support for social media platform regulation, the philanthropic sector has a window of opportunity to develop and advance solutions in the near term while building the groundwork for sustainable policies in the future. After a thorough evaluation of the issue and the concerns of stakeholders, this report recommends an immediate strategy for building the technical capacity of nonprofit, civil society organizations that can monitor and respond to misleading election content in real time.

INTRODUCTION

Paid political advertising on the two biggest online platforms, Facebook and Google, has become a profitable breeding ground for targeted, coordinated networks seeking to manipulate the behavior of voters. In fact, recent evidence suggests that most false or misleading political ads originate from a single source that amplifies the content using proven strategies for reaching virality online.[1] Further, much of the online content in so-called "troll farms" is racialized and intentionally targeted to sow divisions in discriminatory ways.[2] There is growing concern that, as users consume false or manipulated information online, the already low trust in democratic institutions will be further eroded. As the 2022 election cycle quickly approaches in the United States, maximizing the speed of action to mitigate the negative effects of misleading digital campaigns is the most pressing challenge ahead. Although there appears to be some political will and bipartisan agreement to address this challenge, this consensus has not been accompanied by a sense of urgency or the expertise and/or resources needed to address the issue before the midterm elections.

Due to their unique and influential position, philanthropic institutions can step in to fill these gaps and play an important role in the abatement of online election interference. Foundations transcend the private, public, and nonprofit sectors, and are well situated to elevate the strengths while bridging the deficits that prevent

collaboration among them. In this article, I aim to expand on this argument. First, I develop a framework through which to understand the immediacy of the online misinformation problem, and I identify the key levers that can interrupt the cycle of digital voter manipulation. Next, I analyze the various actors and stakeholders involved in this issue to make the case for the unique role of philanthropy. Finally, I apply the framework to recommend a suite of solutions that philanthropic institutions can consider for advancing impactful strategies in the short term while laying the groundwork for longer term change at the intersection of technology and government.

UNDERSTANDING THE PROLIFERATION OF MISLEADING POLITICAL CONTENT ONLINE

Although the misinformation problem appears unwieldy and expansive, there are several discernible factors at its root. Principally, the flow of public information, ranging from public health to elections, has slipped from the controlled and cautious oversight of government agencies and into the hands of exploitative private actors on social media platforms. In any democratic society, freedom of expression allows citizens to voice their views and opinions, while the government appropriately undertakes the role of presenting factual information on neutral grounds. When these lines become blurred, the centralized authority and governance systems that prevent propaganda-based information ecosystems, where truth is indistinguishable from fiction, may become ineffective.

To illustrate this issue, Figure 1 depicts a simplified model of the consumption of information as a "scale" that "balances" public sources and online content. As shown in this framework, although government agencies host more accurate and trustworthy information about public services and processes, the substantial barriers to accessing this content decrease the likelihood of public engagement. In contrast, private online platforms have been designed with

FIGURE 1: Framework of the Public Information Ecosystem
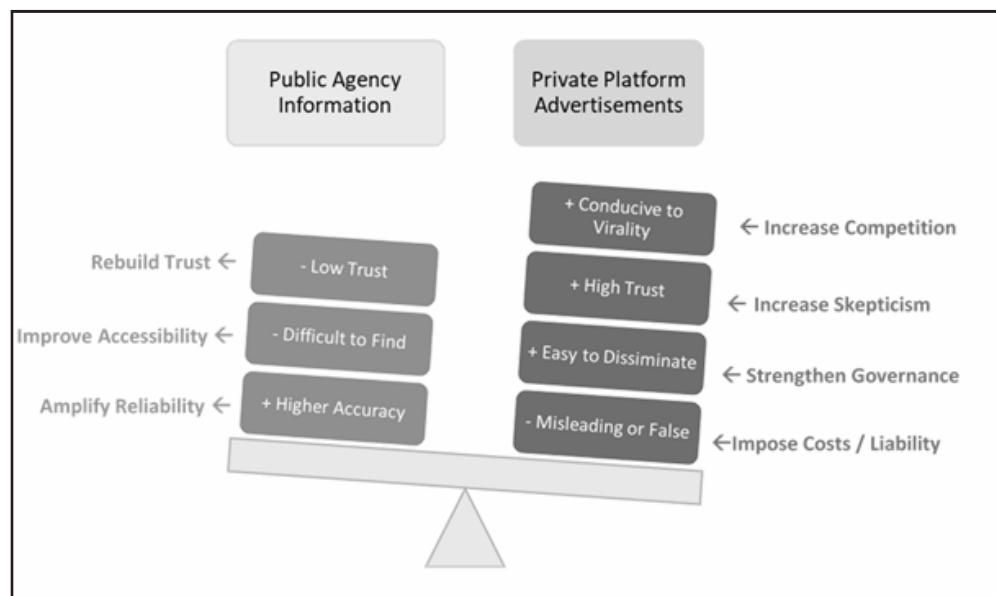
user-friendly virality and social engineering at the core, and they are conducive to easy dissemination of information regardless of the veracity of that content. As a result, the "scale" of information consumption tips in favor of platforms as the preferred source for public content.

A growing body of evidence about the causes of proliferating misleading political content online undergirds this model. Social scientists have studied these independent components and have established their negative effects on democracy. In developing the Figure 1 framework, the existing literature on this topic has been combined to reveal the alarming scale of the problem across three core criteria that reveal how online platforms distort the way public information is disseminated in society: (1) Reach, (2) Trust, and (3) Virality.

REACHING CRITICAL MASS AUDIENCES: The number of users on the leading platforms has reached a level of concentration that generates a fertile environment for misleading content to achieve virality. According to the Pew Research Center, seven in 10 Americans use social media with the majority of this usage taking place on Facebook or Google social media properties, including YouTube and Instagram.[3] YouTube commands an audience of a whopping 81 percent (and growing) of all U.S. adults while Facebook retains 69 percent of all U.S. adults.[4] Simply put, as the majority of the population comes online, there is a higher potential for collective, societal effects. In contrast, the poor development and dissemination of government-sanctioned election information websites, such as state-specific secretary of state or local government sites, likely create a void that third-party social media platforms are monetizing through pay to play election content. Poor attempts by the government to gain a social media following have also exacerbated this divide, and citizens have begun to turn to nontraditional media sources to make decisions on a variety of issues ranging from vaccines to voting. Conversely, some studies demonstrate that an improvement in access to e-government information can correlate with a better relationship between the citizens and public agencies, indicating a possible solution to the issue at hand.[5]

REDUCING TRUST IN GOVERNMENT: The erosion of trust in public institutions and government, coupled with low visibility of information produced by public agencies, increases the influence of advertisers on the platforms to shape public opinion. Only 24 percent of Americans say they trust the federal government to do what is right just about always or most of the time as of 2020.[6] Conversely, surveys show that there is high trust in the accuracy of Google's search results relating to political content. Nearly 1/3 of paid ads for users seeking election information (such as

> The poor development and dissemination of government-sanctioned election information websites, such as state-specific secretary of state or local government sites, likely create a void that third-party social media platforms are monetizing through pay to play election content.

"Where do I register to vote") direct users to websites that try to extract personal information for marketing purposes.[7] Past studies have also shown that as citizens engage with e-government, their trust and confidence in government increases.[8] Thus, the public reputation crisis is fomenting the conditions for independent private sources to monetize the dissemination of information, further decreasing public trust in government. Ultimately, people are becoming more susceptible to online advertisements due to the growing distrust in government. Interrupting this cycle appears to be a key lever for stemming the problem.

INCREASING VIRALITY OF FALSEHOODS:

Given that social media platforms' daily users command a lion's share of the adult population in the United States, the advertisements placed on the platforms generate viral exposure effects that are conducive to manipulation. For example, last year, YouTube users were served misleading videos at a high frequency with videos supporting false election fraud claims after the 2020 election accounting for 137 million views and 34 percent of all traffic to videos discussing "election fraud."[9] Unfortunately, there is a lack of transparency due to platforms' poor disclosure policies and the poor enforcement of those policies. Further, the monetary incentives for social media companies are thus at direct odds with the public interest in reducing misleading content. Based on platforms' publicly available data sets or "libraries," ads with political content have generated between 8.67 billion—33.8 billion impressions (views)

> The monetary incentives for social media companies are thus at direct odds with the public interest in reducing misleading content.

accruing over $300 million USD in revenue.[10] Overall, it is evident that misleading online content drowns out accurate government information in sheer volume with profits to be gained and virtually no costs to be incurred. Clearly, a solution to this issue must address the exponential growth of such content by targeting the incentives that encourage its spread in the first place.

PHILANTHROPY'S ROLE IN DIGITAL GOVERNANCE

The scholarship on this problem has helped to establish that without intervention, online misinformation will continue to spread while public trust will fall, making this slippery slope an urgent problem for U.S. democracy and its stakeholders. Should the government, corporations, and nonprofit organizations fail to respond, continued democratic functioning will be at risk most imminently in the 2022 midterm election. Philanthropic institutions are the crosscutting agents in this debate that hold the power to encourage short-term mitigation approaches while providing an on-ramp for long-term government intervention. By supporting civil society advocates with the resources to exert influence on governmental actors and the platforms themselves, foundations can implement immediate solutions that address this problem with a focus on the public interest.

Philanthropy is better situated than the government in this issue for several reasons. It is true that government regulation is often cited as the necessary solution. However,

it is not entirely clear that this would be a viable approach to reduce the harms of online political content in a timely approach or effective manner. Growing polarization and gridlock in Congress has sealed off legislative solutions — not just on this but on many issues — causing government overreliance on temporary executive orders that lack permanence.[11] Jurisdictional opacity among key regulatory agencies, such as the Federal Communications Commission and Federal Trade Commission, also reduce the likelihood of a unified government response. These structural deficits compound the public inaction on this issue, despite the mounting pressure to solve it.

> The government's overall lack of dedicated capacity to deal with challenges posed by an increasingly digitized society has also been apparent in the past.

Further, the government's overall lack of dedicated capacity to deal with challenges posed by an increasingly digitized society has also been apparent in the past. Decades-long debates around net neutrality as well as rising inequality in internet access that has perpetuated the "digital divide" are cautionary tales of the inertia in government around issues in the online domain. It also takes government agencies time to develop the administrative expertise to efficiently implement and enforce solutions. This incremental bureaucratic process would prevent any level of mitigation to this problem from going quickly

> At the forefront of the regulatory charge are the priorities that reflect business interests over public needs, which compromise the effectiveness of any policy that is developed.

into effect ahead of the 2022 election cycle. The government's tendency to ignore a growing problem due to lack of expertise is thus compounding the barriers and costs to the regulation of social media platforms as the issue increases in complexity.

Finally, while it may be obvious why relying on platforms to self-police is ill-advised, their role in policymaking may not be as apparent. It is no accident that social media platforms have been vocal advocates for new regulations. In fact, Facebook itself has publicly called for regulatory updates.[12] However, these companies often exert disproportionate lobbying pressure on regulators who guarantee the policies most favorable to their business models. For instance, it was reported that during the 2020 election cycle alone, Facebook, Google, and other tech giants spent over $122 million on lobbying efforts.[13] At the forefront of the regulatory charge are the priorities that reflect business interests over public needs, which compromise the effectiveness of any policy that is developed.

In contrast, philanthropic institutions are free of such constraints. Foundations are already critical supporters of nonprofit advocacy organizations, research experts, and academic institutions that can study the problem with more technical precision and develop practical approaches that inoculate

vulnerable populations against the harms of online manipulation. The nonprofit civil society groups typically supported by philanthropy also have a sharper understanding of the racial, gender, and other demographic disparities among historically marginalized populations that government regulators tend to eschew in their universal mandates and that private companies exploit in their pursuit of profitability. Ultimately, institutional philanthropy has the gravitas to coalesce its broad networks of nonprofit grantees to interrupt the cycle of misinformation by elevating the voices of underrepresented communities in the policy debate.

RECOMMENDATIONS FOR EFFECTIVE INTERVENTIONS

Due to the urgency of this issue, and the absence of viable agents for change, it is imperative that philanthropic institutions become actively involved in supporting solutions to online election interference. This section highlights and explains three possible interventions by leveraging the earlier model in Figure 1. The framework can be applied to identify philanthropic interventions for each of the factors contributing to the imbalance in the public information ecosystem. To restore oversight and accountability, there are solutions that can be developed to reduce the reach and virality of misleading online content on private platforms while inversely increasing public trust in government agencies.

By enabling public skepticism about the quality of online advertising content, supporting the enforcement of liability costs on the spread of harmful content, and encouraging more competitive e-government information channels, philanthropy can consider solutions that will effectively return public attention to reliable information.

INCREASING PUBLIC SKEPTICISM BY EXPANDING CIVIL SOCIETY'S NONPROFIT RESPONSE

This intervention should focus on interrupting the influence of social media platforms in the immediate moment. The most effective approach is to increase the public's ability to discern misleading content and malicious sources online. Civil rights organizations, advocacy groups, and community-based organizations have, by necessity, already been on the front lines of combating misinformation and disinformation campaigns to protect the communities they serve from digital manipulation. Foundations should consider early investments in the existing capacity of nonprofits to engage in the monitoring, tracking, and reporting of misleading political content online ahead of the upcoming election.

> Civil rights organizations, advocacy groups, and community-based organizations have, by necessity, already been on the front lines of combating misinformation and disinformation campaigns to protect the communities they serve from digital manipulation.

Nonprofit organizations that have a closer pulse on the content that their membership consumes can conduct targeted and effective educational outreach to ensure that the public will question the authenticity of social media content and will instead access trusted government sources of information. To ensure this is done effectively, foundations can support the development of tools for monitoring and response of online advertisements and organic content to enable nonprofit organizations, as well as others interested in the issue, to better research and track abuse by the platforms. Additionally, philanthropic dollars can be mobilized to facilitate collaboration among computer scientists and advocates to bridge the gap between technocratic understanding of the problem with community-focused perspectives of the solutions.

The building blocks are already in place, and additional philanthropic funding can elevate the technical expertise and coordinated coalition efforts that can reduce harm in the short term. In doing so, philanthropic organizations will be able to not only temper the growing political power of unelected and unregulated private actors, but they will also be able to address the disparities in racial and language-minority outcomes explicitly, which have been disproportionately impacted by the lack of resources for their protection online.

> Monitoring and enforcement rely upon the availability of technical expertise informing public policy, which foundations can accelerate

IMPOSING LIABILITY COSTS BY FACILITATING THE PATH TO GOVERNMENT REGULATION

Given the existing momentum from political parties and U.S. federal agencies like the Federal Communications Commission and the Federal Trade Commission, this intervention would aim to impose costs, monetary or otherwise, on social media platforms for not proactively taking action. Public demand for regulatory action favors stricter rules around political campaigning online, with 54 percent of Americans recently surveyed by Pew supporting outright bans.[14] Philanthropic organizations can support advocacy campaigns that seek to educate elected officials while building public awareness to increase the pressure for enacting regulation.

Monitoring and enforcement rely upon the availability of technical expertise informing public policy, which foundations can accelerate through investments in interdisciplinary centers at think tanks and universities that interact with government. In order for regulation to be enforceable, periodic auditing through third-party nongovernmental organizations could help to ensure adequate compliance.[15] In developing such infrastructure, foundations can play a role in establishing the public partnerships that can ease the government's ability to address this issue, while ensuring they are connected to nonpartisan, nonprofit public interest ecosystems. Finally, civil rights organizations have already begun to develop legal advocacy and litigation approaches for tackling this issue. Data targeting protections on the basis of existing federally protected classes like age, race, and religion would be another important mechanism for discrimination and divisive digital campaigns. Foundations can infuse resources toward these efforts to set new precedents for equitable protections under the law against social media platforms that can yield models for future legislative and regulatory action, centering equity in all policy solutions.

RESTORING PUBLIC TRUST BY STRENGTHENING GOVERNMENT'S DIGITAL PRESENCE

This final intervention aims to address the problem not just in the moment, but also in future scenarios by strengthening forms of online e-governance to restore trust in public agency information sources. Although nonprofit civil rights organizations are well suited to meet the current moment and prevent negative outcomes from taking place during the 2022 election cycle, it is critical that philanthropy take a forward-looking view. Specifically, rebuilding public trust in democratic institutions should be a long-term and overarching goal. To this end, examining how the government communicates with the public, and the way that public information is spread through trusted spokespeople versus private parties online would be an important dimension to research more rigorously.

> It is critical that philanthropy take a forward-looking view. Specifically, rebuilding public trust in democratic institutions should be a long-term and overarching goal.

By supporting global scholarship and the learning and exchange of ideas across national boundaries, foundations can ensure that governments worldwide are sharing the necessary knowledge and resources to oversee what has essentially become an "online nation" — the internet. This intervention also has far-reaching implications well beyond elections and can serve as a blueprint for diplomatic approaches to the increasing digitization of society. Building a public interest internet ecosystem will require substantial investment in efficient and effective e-government infrastructure.

Foundations can support the development and testing of such tools and technologies by connecting the efforts of nonprofit technical experts to government agencies and adequately increasing the visibility and reach of such sources of public information.

CONCLUSION

Foundations are emerging as the missing link to encourage the integration of civil society in addressing the urgent need for response against online election interference in the near term. This article has presented an analysis of possible short-term, urgent solutions that can kick-start the philanthropic sector's role in curbing misleading election content online. Out of all of the possible stakeholders that could feasibly take action on this issue, it is the philanthropy supported, civil society nonprofit space that possesses the needed expertise, relationships, and tools to actively monitor and respond to misleading online content in the short term while also building toward a long-term public policy approach. Foundations can step in where the public and nonprofit sectors lag behind, particularly to close the gap in equitable solutions that can be quickly and effectively implemented. The conclusion of this analysis points toward a clear recommendation: philanthropy should support nonprofit organizations to strengthen their capacity for evaluating the risks of online targeting and respond to the threats of misleading digital content before the 2022-midterm elections.

ENDNOTES

1. Laura Edelson, Damon McCoy, and Tobias Lauinger, A Security Analysis of the Facebook Ad Library (New York: New York University, 2020).

2. Dean Freelon, Michael Bossetta, Chris Wells, Josephine Lukito, Yiping Xia, and Kirsten Adams, "Black Trolls Matter: Racial and Ideological Asymmetries in Social Media Disinformation," Social Science Computer Review (2020). https://doi.org/10.1177/0894439320914853.

3. "Social Media Use in 2021," Pew Research Center, accessed 2-22-22, https://www.pewresearch.org/internet/2021/04/07/social-media-use-in-2021.

4. "Social Media Use in 2021," Pew Research Center, accessed 2-22-22, https://www.pewresearch.org/internet/2021/04/07/social-media-use-in-2021.

5. Gregory A. Porumbescu, "Linking Public Sector Social Media and E-Government Website Use to Trust in Government." Government Information Quarterly 33 no. 2 (April 2016), 10.1016/j.giq.2016.04.006.

6. "Public Trust in Government: 1958–2021," Pew Research Center. accessed 2-22-22, https://www.pewresearch.org/politics/2021/05/17/public-trust-in-government-1958-2021/.

7. "Google Fails to Stop Exploitative Ads Targeting American Voters," Tech Transparency Project, (2020), https://www.techtransparencyproject.org/articles/google-fails-stop-exploitative-ads-targeting-american-voters

8. Caroline J. Tolbert and Karen Mossberger, "The Effects of E-Government on Trust and Confidence in Government." Public Administration Review 66, no. 2 (May–June 2006): 354–369. http://www.jstor.org/stable/3843917.

9. "Election Fraud Narrative," Transparency Tube, (2020). https://transparency.tube/

narratives/?channelId&end=2020-11-10T05%3A00%3A00.000Z&selected-end=2020-11-08T08%3A00%3A00.000Z&selected-start=2020-11-01T07%3A00%3A00.000Z&start=2020-11-03T05%3A00%3A00.000Z.

10. Laura Edelson, Damen McCoy, Shikhar Sakhuja, and Ratan Dey, An Analysis of United States Online Political Advertising, (New York: New York University, 2019), https://arxiv.org/pdf/1902.04385.pdf.

11. Edward E. Carmines and Matthew Fowler, "The Temptation of Executive Authority: How Increased Polarization and the Decline in Legislative Capacity Have Contributed to the Expansion of Presidential Power." Indiana Journal of Global Legal Studies 24, no. 2 (Summer 2017): 369–398. https://doi.org/10.2979/indjglolegstu.24.2.0369.

12. Mark Zuckerberg, "Opinion: Mark Zuckerberg: The Internet Needs New Rules. Let's Start In These Four Areas," The Washington Post, 2019, https://www.washingtonpost.com/opinions/mark-zuckerberg-the-internet-needs-new-rules-lets-start-in-these-four-areas/2019/03/29/9e6f0504-521a-11e9-a3f7-78b7525a8d5f_story.html.

13. Jane Chung, Big Tech, Big Cash: Washington's New Power Players. (Public Citizen, 2021), file:///C:/Users/Diane/Downloads/Big-Tech-Big-Cash-Washingtons-New-Power-Players.pdf.

14. Brooke Auxier, "54% of Americans Say Social Media Companies Shouldn't Allow Any Political Ads," Pew Research Center (2020), https://www.pewresearch.org/fact-tank/2020/09/24/54-of-americans-say-social-media-companies-shouldnt-allow-any-political-ads/.

15. Laura Edelson, Damen McCoy, and Tobia Lauinger, A Security Analysis of the Facebook Ad Library. (2020 IEEE Symposium on Security and Privacy (SP), 2020): 661–678, doi: 10.1109/SP40000.2020.00084.

PROTECTING INDIA'S SECULAR FABRIC FROM THE ILLS OF RELIGIOUS NATIONALISM

by Nousheen Wani

NOUSHEEN WANI

INTRODUCTION

Religious nationalism and intolerance have gained prominence across the social and political spectrum of India. Although the term "secularism" only found its way into the Constitution in the 1970s, the model of governance since independence had been that of religious tolerance.[1] Secularism is most commonly understood as the separation of religion from governance. This separation can be challenging in a diverse and multireligious country such as India.

> While almost 80 percent of the population of India identifies as Hindu, this fact belies the extraordinary diversity of the country. It is home to thousands of ethnic and tribal groups, 19,500 languages, and countless religions.

While almost 80 percent of the population of India identifies as Hindu, this fact belies the extraordinary diversity of the country. It is home to thousands of ethnic and tribal groups, 19,500 languages, and countless religions.[2] There are tragic historical reasons for the country's religious makeup. In 1947, during Partition, most of India's Muslim population moved to Pakistan, making Hinduism the majority religion. Nevertheless, the Muslim population of In-dia remains larger than that of any Middle Eastern country and the largest minority group.[3] This level of diversity makes the model of governance equally interesting and challenging. After India became independent, its leaders, Gandhi and Nehru, believed that a pluralistic democracy was the only way to hold diverse groups peacefully together.[4] Secularism came to be seen as the optimal way to maintain peace and achieve progress. India has shown that the disturbance of this precarious balance is devastating. India's changing secular fabric is witnessed through a rise in communal violence, lynching of minorities, Hindu-nationalist propaganda, and an overwhelming intolerance of difference.[5]

Today's ruling party is the BJP, or the Bharatiya Janata Party, a party with an expressive commitment to Hindutva, having a history of promoting Hindu nationalism through propaganda.[6] Politicians and workers make inflammatory speeches and remarks that go unnoticed by the nonpartisan judiciary and

election commission. History textbooks are being rewritten and the parts of India's past where Muslims ruled the country are being downplayed.[7] Roads, public places, official landmarks, and cities are being renamed. Notably, Allahabad, a bustling city of over 1 million people, has been renamed Prayagraj to make it feel more Hindu. Attempts to change the nation's diverse ethos and polarize the masses are on the rise and look deliberate. The reason for this mass change is primarily political, not religious or social. It is about propagating a common unifying idea of belongingness to a singular majority community or religion and exploiting it to gain political ground. In the last decade, Hindu-nationalist rhetoric has been vigorously used as a tool of political campaigning to win elections at the cost of compromising the secular fabric of the country. The current ruling party has used its nationalistic ideology as a goal of making India's Hindu nation a tool for its election campaign in the last decade and is proving to be successful. However, this approach to governance and politics has drifted India away from being a pluralistic and tolerant nation to an intolerant enterprise driven by religious fanaticism and misconstrued nationalism.[8]

RELIGIOUS NATIONALISM

Throughout India's history, different territorial, cultural, and religious themes have battled for political dominance. One of the themes argues that Indian land is sacred and must be revered. A second theme focuses on India's pluralism and diversity. The third views India as the original land of the Hindu community.[9] It is this theme that promotes the concept of a Hindu nation that has led to a more extreme version of nationalism. This is ideologically different from secular nationalism, which was built around the notion that people from all backgrounds should have a place and space without facing discrimination. Secularism does not call for a distinct separation of religion and state. Rather, it desired for there to be a safe distance between the two.[10]

Since the government's conception, the state of India has intervened in religious affairs, such as controlling temples across the country and addressing caste issues in Hinduism. It also subsidizes religious events and pilgrimages like Sikhs visiting Pakistan, Muslims going for hajj, and Hindus making sacred journeys to Amarnath Temple in Jammu & Kashmir. Therefore, the state is not distinctly disconnected from religious affairs. Its role in the past may have looked regulatory, but it is not anymore. The state and the government are making efforts to blur the distinction between the two.[11]

> Since the government's conception, the state of India has intervened in religious affairs, such as controlling temples across the country and addressing caste issues in Hinduism.

COST OF RELIGIOUS NATIONALISM

When people of a country are divided based on their ethnicity or religion, this leads to conflict, a widespread sense of disrespect, a lack of trust, and a chain of misunderstandings between different groups. This spiral, illustrated below, inevitably reaches a place where mere disagreement is not enough, and defeating the opposition by any means becomes a marker of prestige. In India, these religious disagreements result in violence and suppression in the forms of communal riots and hate crime. Riots have occurred almost every year since independence, but the frequency at which they are happening now is unprecedented.

- Despite the COVID-19 lockdown, there were 857 cases of communal riots registered in 2020 across the country, as compared to 438 in 2019. This is according to data filed by the National Crime Records Bureau. The capital state of Delhi alone saw 520 cases of communal riots in 2020.[12]

- In August 2021, a 45-year-old Muslim man was dragged and beaten in the streets of Kanpur in front of his daughter. He was asked to chant "Long Live India" and "Victory to Lord Rama." Despite his compliance, he was still assaulted until the police intervened. There have been a number of similar instances where people from minority groups have been targeted for reasons as bizarre as selling fruits in a Hindu neighborhood.[13]

> When people of a country are divided based on their ethnicity or religion, this leads to conflict, a widespread sense of disrespect, a lack of trust, and a chain of misunderstandings between different groups.

- Cows are held sacred in Hinduism, and any attempts to transport, trade, or slaughter them have often been met with lynching by fanatic mobs. This form of violence is known as cow vigilantism. While cow protection was an issue within the Hindu caste system, it was hardly a matter of interreligious conflict until the rise of Hindu nationalism. When select members of the Hindu community feel that the laws of the country are not enough to protect cows from being slaughtered, they come together and enforce laws without any legal authority. Cow vigilantism is on the rise, and the vigilantes function under the protection of law enforcement agencies. The role of the BJP-led government in giving freehand to vigilantes is evidenced by two things. First, since the BJP came to power, 20 out of 28 states have amended their laws around cow protection to include stricter punishments. The police can now make arrests for these crimes without warrants.[14] Second, those who were involved in lynching and vigilantism have yet to be charged with an offense. This is a signal to the minorities that Hindus rule the country, and those going against them will be punished or even killed. In the current environment, the Hindu mob will never face the law. The government has given vigilantes full immunity on numerous occasions. The question here is how millions of Indians belonging to minority groups live and respond to this theater of religious superiority. The nonprofit group Indiaspend reported that violence against cow slaughter led to the killing of 45 people between 2012 and 2018.[15] According to a Reuters report, there have been more than 63 incidents of lynching across India from 2010 to 2017, and 28 victims have died.[16]

- During the 2020 riots in New Delhi, Amnesty International found the police to be complicit in acts of violence and violations of human rights against minorities.[17] These riots followed the protests against the controversial 2019 Citizen Amendment Act. Many see this as an anti-Muslim law. It is an amendment to the old citizenship law, which prohibited illegal migrants from acquiring Indian citizenship. Earlier, the rules for naturalization were stricter and required immigrants to reside in India for 11 years before applying for Indian citizenship.

The new law reduced the number of qualifying years from 11 to six. The controversial part of the act provides citizenship to illegal immigrants from Afghanistan, Bangladesh, and Pakistan who have been victims of religious persecution in their native countries; however, it only applies to Sikhs, Hindus, Christians, and Jains—not Muslims. This is an attempt to delegitimize Muslim immigrants' claim for citizenship.[18]

The problem is that nationalism in India has been misinterpreted and falsely defined as a spirit belonging only to Hindus. Hindus are largely considered the patriotic, first-class citizens of the country. This perception has given some a false sense of superiority on the basis of their religion and has led to the marginalization of non-Hindu citizens. Tensions between the majority and minority groups have resulted in hate and violence. As a result, the secular balance of the country has crashed and given rise to mob rule.[19] During this time, the government has been a mere spectator, failing to intervene on behalf of its underrepresented citizens.
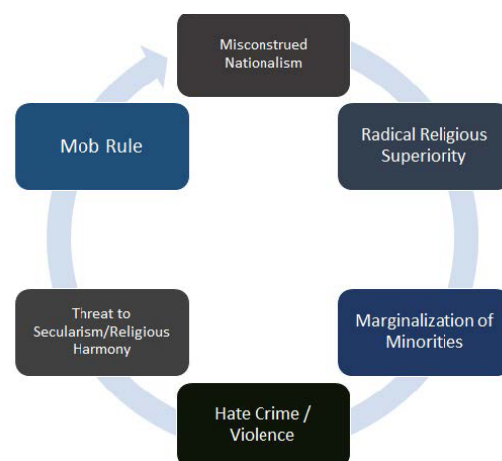
RECOMMENDATIONS

BRING STRICT PUNITIVE LAWS AND RESTORE JUDICIAL SANCTITY

In view of a track record of inaction, complacency, and collusive action by the government and Hindu nationalists during communal incidents, ensuring strict punishment to offenders is absolutely necessary. Laws are already in place against the deliberate intent of hurting the religious beliefs of other citizens. Sections 153(A) and 295(A) of the Indian Penal Code clearly state that hate speech is punishable with a fine and imprisonment of up to three years.[20]

However, a track record of complicit authorities allowing criminals to escape punishment makes implementing these laws a challenge. Support from state authorities via enforcement of these penal codes and consequences for intolerant actions is key to bringing violence down, yet this remains hard to achieve due to a history of corruption and a lack of accountability for communal offenses. There also have been some conflicting views about the role of the Supreme Court of India. In 2014, the Supreme Court rejected a request to curb hate speech during elections on the basis that it violated citizens' fundamental right to expression.[21] This demonstrates how it looks more prudent to bring stringent regulations and laws with a clear mandate for the judiciary to take necessary action, thereby bringing down incidences of violence. Recently, that has not been the case, as the judiciary has been found to be influenced by the political ideology of the state.

The judiciary, especially the Supreme Court, has been the greatest defender of secularism in India but now faces scrutiny. The most recent judgements passed by the Supreme Court are complicit in encouraging religious intolerance. For instance, the court acquitted all major BJP leaders who allegedly hatched a plan to demolish a historical mosque in the Indian city of Ayodhya. The demolition exacerbated Hindu-Mulism religious tensions and led to riots resulting in the deaths of 2,000 people.[22] A year before the acquittal, the Supreme Court gave the disputed land to Hindus for them to build a temple, and, in a way, that signaled that the demolition of the mosque 30 years ago was within the legal domain. Muslim organizations criticized the acquittal outrightly but could do very little else. More alarming, however, was how the court ignored hundreds of eyewitness accounts and TV and photo footage of instigated demolition by Hindu right-wing leaders. Moreover, such an unfair verdict did not come completely unexpected, revealing the brazen state of the Indian justice system.

Separating the judiciary from the state's political ideologies is a seminal step in restoring the sanctity and impartiality of the criminal justice system in India. A country with laws in place but with a corrupt justice system has laws that serve no purpose. The lower courts, too, have adopted a majoritarian viewpoint and have openly given biased judgements in states across the country. This must stop.

REGULATING MEDIA

Media in India plays a large role in shaping public opinion. It is the biggest means of disseminating information. As print media are losing out to the more accessible electronic and social media, the same has been used to spread hate and anger. Media companies are owned by powerful business corporations and funded by advertising revenue, creating a business model that is subject to inherent bias that promotes propaganda. In the name of freedom of the press, print and electronic media have become yet another means of propagating divisive interests and ideologies.

TV studios in India have become forces in spreading hate politics, particularly by running media trials over incidents without any legal right.[23] In this way, they are able to influence people's perceptions about events, separate from the facts of those incidents. Social media, especially Facebook and Twitter, are commonly used to spread

religious hatred. Inflammatory content on Facebook rose by 300 percent after December 2019, and this may have led to the Delhi riots of 2020.[24] After researching the issue, Facebook reported that two nationalist groups associated with the BJP ruling party were actively posting inflammatory anti-Muslim content. Despite the report's recommendations for action against the identified groups, they remain still active today.[25] Influencing people with factual news content and discouraging communal hate and violence can influence the mindsets of the Indian population.

However, when the regulatory authority itself — in this case, the government — is participating in the inflammatory behavior of the media, it becomes the responsibility of the media owners, journalists, reporters, and editors to come together with civil society to protect journalistic integrity. There are still only a few media organizations in India that are considered impartial and reformative, and they have a difficult battle to fight.

MOBILIZING AND PARTNERING WITH NONPROFIT AND SOCIAL ORGANIZATIONS

Nonprofit organizations are extremely important in strengthening communities by providing social, health, and educational services in areas where the government fails to do so. They can help the government raise awareness about values like liberty and equality and unify the nation through workshops, persuasion, and publicity campaigns. Their role is vital because they have better knowledge of the local communities in which they work and thus know how to serve them. They are able to foster civic engagement and can collabo-

rate with other organizations in pursuit of broader social change. They can persuade people using local languages in local contexts to promote social harmony and peace.

In the past, governments have used social organizations to educate people on sanitation awareness or encourage polio vaccinations. However, non-governmental organizations (NGOs) and social organizations are challenged by minimal resources and, therefore, have limited reach. If public and private organizations come together to fund social organizations and NGOs, they can strengthen their capacity and ability to promote social change at large.

CONCLUSION

No country can survive polarization and the deep divide it causes in society. The feeling of hatred between communities affects citizens in both tangible and intangible ways. Its biggest consequence is violence and physical harm. It also leaves people traumatized and makes it harder for the victims on both sides to recover and participate in the regular democratic process. The feelings of isolation and desperation as a result of religious bigotry can be life long. The onus then lies on the people of this country to transform India into a more tolerant and welcoming democracy.

The journey hereafter is a long and hard one for India. What is needed is a strong political will to accept the ills of communalism and address its ramifications. It must be a collaborative effort between the state, as well as the nonprofits, media, police, and the people of the country. Only together can the battle against extremism and religious nationalism be won.

ENDNOTES

1. "The Constitution (Forty-Second Amendment) Act, 1976". Government of India. https://web.archive.org/web/20150328040620/http://indiacode.nic.in/coiweb/amend/amend42.htm.

2. "India is Home to More than 19,500 Mother Tongues" Press Trust of India, July 1, 2018, https://www.thehindubusinessline.com/news/variety/india-is-home-to-more-than-19500-mother-tongues/article24305725.ec.

3. "10 Countries with the Largest Muslim Populations, 2010 and 2050," Pew Research, 2015, https://www.pewforum.org/2015/04/02/muslims/pf_15-04-02_projectionstables74/.

4. Martha C. Nussbaum, "The Clash Within: Democracy and the Hindu Right." Journal of Human Development 9, no. 3 (2008): 357–375. https://doi.org/10.1080/14649880802236565.

5. Geeta Pandey. "Beaten and Humiliated by Hindu Mobs for Being a Muslim in India," BBC News, September 2, 2021, https://www.bbc.com/news/world-asia-india-58406194.

6. Bhatt, Chetan. Hindu Nationalism: Origins, Ideologies and Modern Myths. Routledge, 2020.

7. Marie Lall, "Educate to Hate: The Use of Education in the Creation of Antagonistic National Identities in India and Pakistan," Compare 38, no. 1 (2008): 103–119, https://doi.org/10.1080/03057920701467834.

8. "Freedom in the World 2021, India," Freedom House, 2022, https://freedomhouse.org/country/india/freedom-world/2021.

9. Milan Vaishnav, "Religious Nationalism and India's Future," Carnegie Endowment for International Peace, April 4, 2019, https://carnegieendowment.org/2019/04/04/religious-nationalism-and-india-s-future-pub-78703.

10. Milan Vaishnav, "Religious Nationalism and India's future."

11. Milan Vaishnav, "Religious Nationalism and India's Future."

12. Deeptiman Tiwary, "NCRB Data: Crime Down, Clashes Up in Year of Lockdown, Delhi Riots, Protests," The Indian Express, September 16, 2021, https://indianexpress.com/article/india/in-pandemic-year-covid-violations-push-up-crime-rate-by-28-ncrb-7510456/.

13. Geeta Pandey, "Beaten and Humiliated."

14. Ajay Sarma, "Protecting Cows and Persecuting People," Harvard Political Review, February 4, 2020, https://harvardpolitics.com/protecting-cows/.

15. "Freedom in the World," Freedom House, https://freedomhouse.org/country/india/freedom-world/2021.

16. Tommy Wilkes and Roli Srivastava, "Protests Held across India after Attacks against Muslims," Reuters, June 28, 2017, https://www.reuters.com/article/india-protests-muslims-beef-idINKBN19J2BV?edition-redirect=in

17. "India: Delhi Police Committed Multiple Human Rights Abuses during February Riots — News Briefing," Amnesty International UK, August 28, 2020, https://www.amnesty.org.uk/press-releases/india-delhi-police-committed-multiple-human-rights-abuses-during-february-riots-new.

18. Gary Hausman, "Citizenship Amendment Act (CAA) and National Register of Citizens (NRC)," Columbia University Libraries Global Studies Blog, December 10, 2020, https://blogs.cul.columbia.edu/global-studies/2020/12/10/citizenship-amendment-act-caa-and-national-register-of-citizens-nrc/#:~:text=The%20Citizenship%20Amendment%20Bill%2C%202016,Act%2C%202019%20(CAA).

19. Soutik Biswas, "A Perilous Time for India's Judiciary," BBC News, September 30, 2020, https://www.bbc.com/news/world-asia-india-54318515.

20. Law Commission of India, "Hate Speech," Report No. 267, March 2017, https://lawcommissionofindia.nic.in/reports/Report267.pdf.

21. SAJID SHEIKH, Supreme Court Erred Again: Mistaken on Hate Speech as Free Speech, LawLex.org., https://lawlex.org/lex-bulletin/supreme-court-erred-again-mistaken-on-hate-speech-as-free-speech/9420.

22. Soutik Biswas, "A Perilous Time for India's Judiciary."

23. Marcia Pande, "Bloodlust TV: Calling out India's Hate Media," Newslaundry Media Private Limited, October 21, 2019, https://www.newslaundry.com/2019/10/21/bloodlust-tv-calling-out-indias-hate-media.

24. NH Web Desk, "Facebook Internal Documents Reveal Inflammatory Content Spiked 300% on ilts Platforms Before Delhi Carnage," National Herald India, October 25, 2021, https://www.nationalheraldindia.com/india/facebook-internal-documents-reveal-inflammatory-content-spiked-300-on-its-platforms-before-delhi-carnage.

25. Newley Purnell and Jeff Horwitz, "Facebook Services Are Used to Spread Religious Hatred in India, Internal Documents Show" The Wall Street Journal, October 23, 2021, https://www.wsj.com/articles/facebook-services-are-used-to-spread-religious-hatred-in-india-internal-documents-show-11635016354.

BUILDING THE INFRASTRUCTURE FOR SOCIAL HOUSING

by Meg Heisler

MEG HEISLER

Edited by: Emily Clayton, Melissa Mullins, Mathew Omogo, and Scarlett Saunders

Guest Editor: Agnes Cho

Over the last century in the United States, every level of government has tried and failed to incentivize the private market to meet the universal need for safe, accessible, sustainable, and permanently affordable housing. As the COVID-19 pandemic has lain bare, neither the robust homeownership infrastructure nor the feeble renter assistance nor the tenant protection safety net is enough to resolve the contradiction inherent to housing, as both are a necessary social good and a profitable commodity. In "The Case for a Social Housing Development Authority," Gianpaolo Baiocchi and H. Jacob Carlson laid out preliminary plans for a new government entity endowed with the authority, autonomy, capacity, and funding required to acquire and transfer properties to community land trusts, cooperatives, nonprofits, and housing authorities well situated to safeguard affordability and facilitate community governance. This paper evaluates their proposal to kick-start and fuel a social housing sector at the federal level and finds that the proposal offers a well calibrated solution to a complex and urgent problem. While it will face harsh resistance, the Social Housing Development Authority (SHDA) is designed to address multiple intersecting crises, recoup costs, and generate revenue; factors that ultimately support its political feasibility. Future elaborated proposals for the SHDA should push for an expansion of existing assistance programs, call for the end of public housing disposition, articulate a new role for public housing authorities, identify sources of capital for eligible entities, and offer a blueprint for the education and organizing needed to shore up community capacity for social housing.

BACKGROUND: THE UNITED STATES' HOUSING BIND

Precarity has always been a feature of housing in the United States, and since the Great Depression, homeownership has been proffered as its antidote. Direct and indirect financial incentives, such as mortgage assistance and tax breaks, as well as quasi-governmental programs — like the Home Owners' Loan Corporation, the Federal Housing Administration, Fannie Mae, and Freddie Mac — were all part of a federal push to improve access to credit and increase homeownership.[1] By some measures, it worked. The national homeownership rate exploded between 1940 and 1960, but explicit and implicit discrimination directed the vast majority of benefits to White households.[2] Then, in 2008, the subprime mortgage crisis stripped households of color of their modest gains, unsettled the notion of homeownership as guaranteed stability, and forced millions back into the renter

market. Fueled by discriminatory practices, such as predatory loans and differences in loan terms by race and income, Black and Latino households lost their homes at over twice the rate of White households. Today, there is a 30 percentage point gap between the White and Black homeownership rates, the highest it has been in 50 years.[3]

The U.S. housing system is also deeply unaffordable. Harvard's Joint Center for Housing Studies reports that 37.1 million U.S. households spend over 30 percent of their income on housing, with 17.6 million paying over 50 percent.[4] The majority of those burdened are renters — not only in cities notorious for skyrocketing rents and purchase prices. In no state, metropolitan area, or county can a person working a full-time, minimum-wage job afford to rent a two-bedroom apartment, and in 95 percent of counties they cannot afford a one-bedroom apartment.[5] As a result, recent estimates put the number of people experiencing homelessness on any given night at over half a million.[6] And the rental market will only continue to tighten as demand grows. The United States has added an average of more than 800,000 new renter households per year in the last decade, with households of color driving 76 percent of the growth between 2004 and 2018.[7]

The very processes that made housing more accessible to some also transformed it into a securitized asset, knitting together the fates of owner and renter households, small-scale landlords, global financial actors, and global financial markets.[8] Former

> Over the last century, every level of government has tried and failed to encourage the private market to meet the universal need for housing.

United Nations Rapporteur on the Right to Housing, Leilani Farha, identified this trend in a report to the General Assembly, writing "Known as the financialization of housing, the phenomenon occurs when housing is treated as a commodity — a vehicle for wealth and investment rather than a social good."[9] Financialization has been linked with foreclosures and evictions, as well as the deterioration of housing stock.[10] In the last 15 years, rental-housing production has skewed toward the high end of the market while the stock of low-cost units has dwindled.[11] Meanwhile, investors sit ready to capitalize on crises. During the subprime mortgage crisis, they purchased distressed real estate in previously redlined neighborhoods and were in the process of doing so again: in the second quarter of 2021, one of every five low-priced homes was purchased by investors.[12] Private owners and investors have little incentive to house those who cannot pay top dollar and when they do, they overcharge relative to market value.[13]

Over the last century, every level of government has tried and failed to encourage the private market to meet the universal need for housing. As evidenced by the data above, the incentives and regulatory requirements introduced thus far have been insufficient; low-income housing tax credits, inclusionary zoning, and impact fees have failed to motivate private actors to deliver the rate, scale, and levels of affordability necessary to serve every household. Direct support to renters, such as Housing Choice Vouchers, is also undermined by the private market — as rents rise, the

government must provide ever-deeper subsidies. They also tend to replicate racial barriers and patterns of segregation that exist in the private market.[14] It need not be this way. Among wealthy countries, the United States is uniquely reliant on the private sector with 97 percent of its rental stock in the private market. Elsewhere, as in Austria, Denmark, and the Netherlands, more than 20 percent and as much as 37 percent of rental housing is held off the speculative market.[15]

This mismatch between the profit incentive and the public interest is only resolvable by an intervention commensurate in scale with past, present, and enduring housing crises, like public housing. Despite chronic neglect, more than 1 million units of public housing still stand, and, in some places, public housing authorities (PHAs) are still major landholders. These units continue to serve as a valuable investment for low-income people — over two-thirds of residents remain satisfied with public housing, and waitlists are years long — but are not without their problems.[16] Historically, federal, state, and local governments have used public housing to marginalize, displace, and deny resources to poor households, particularly Black households and those headed by single mothers. It was segregated from the beginning, was denied proper funding, and was sited to ensure social and political isolation. As a result, more than 10,000 public housing units are lost every year as they become uninhabitable.[17]

Social housing has the potential to overhaul this failing housing assistance system.[18] Social housing is designed to create quality, mixed-income, permanently affordable housing that is held as a public good. Instead of further segregating and

displacing tenants, a comprehensive social housing program would expand the stock of available homes across all geographies, prioritize the security of tenure, and benefit all income groups. If not exclusively public, social housing would be owned and managed by entities, such as nonprofits that could insulate it from market pressures and reduce the financial risk to the inhabitants. Its promise is that of a durable housing system that works toward decommodification, democratic control and governance, and a guarantee of homes for all. This paper examines one proposal for how to build out social housing's supporting infrastructure: an SHDA, developed and presented by the Urban Democracy Lab at New York University.[19]

A PROPOSAL FOR A SOCIAL HOUSING DEVELOPMENT AUTHORITY

PROPOSAL OVERVIEW

A problem of this complexity and magnitude that results in disparate outcomes by race, class, and gender requires a dynamic, comprehensive solution. Baiocchi and Carlson's proposal for an SHDA, a new government entity designed to intervene in cycles of housing investment and disinvestment, to chip away at the national affordable housing deficit, offers just that solution.[20]

The SHDA would be tasked with a set of ambitious goals and strategies:

- Expand the supply of affordable housing across the country by financing the transfer of distressed real estate to the "social housing sector"

- Ensure decent living conditions, rehabilitate neglected housing, and remediate neighborhood blight

- Focus efforts on historically marginalized communities

- Invest in green infrastructure and climate mitigation by retrofitting properties

- Stabilize the housing market by crowding out predatory investors, providing a viable exit for imperiled landlords, and reducing the reach of speculative investment

- Lend directly to eligible entities in need of assistance for their purchase

- In select cases, support homeowners by restructuring mortgages

- Manage itself and its assets to ensure long-term organizational sustainability

Central to these tasks, the SHDA would be endowed with the authority, autonomy, capacity, and funding required to finance the purchase of distressed real estate assets, rehabilitate, and transfer them to eligible entities. The distressed real estate assets would either be direct property or mortgage notes and may include nonresidential properties suitable for conversion for residential uses. The SHDA would not hold the properties long-term but transfer them to eligible entities better situated to preserve affordability and facilitate community governance. These entities could include community land trusts, limited equity cooperatives, resident-owned communities,

An SHDA, a new government entity designed to intervene in cycles of housing investment and disinvestment, to chip away at the national affordable housing deficit, offers just that solution.

nonprofits, PHAs, and other organizations part of and responsive to local communities. With time, this would reduce the extent to which cost and access to housing are determined by the private market.

The SHDA would prioritize the acquisition of real estate at high risk of predatory activity, such as distressed properties and "naturally occurring affordable housing," which is affordable but unsubsidized and would also pursue other categories of real estate that meet its broader goals. Crucial to acquisition would be the creation of a distressed assets platform that would allow lenders and property owners to market their distressed real estate to the SHDA.

After acquiring a property, the SHDA would be required to act in the best interest of the tenants or homeowners and may hold and manage it long enough to prevent displacement and bring it up to habitability and environmental standards. With rental properties, the SHDA would service the loan itself and collect rent payments so as not to defer necessary upgrading. It would also undertake the maintenance process itself by assigning or subcontracting the property management. Should the SHDA acquire a mortgage note, it could restructure delinquent mortgages in favorable terms with the purpose of keeping homeowners in their homes. In some cases, it may instead pursue a managed exit through deed-in-lieu of foreclosure, short sales, or pre-foreclosure sales, acquire the property, and allow the former homeowners to remain.

Upon completion of rehabilitation, the SHDA would prioritize selling to an eligible entity, as described above. This would entail a "first look" system for potential buyers to view and bid on properties for a set period, after which the properties could be placed on the open market. The SHDA would be able to directly lend money to eligible entities in need of capital and act on a subsidy model in certain high-cost areas.

Figure 1: The SHDA Acquisition and Asset Management Process
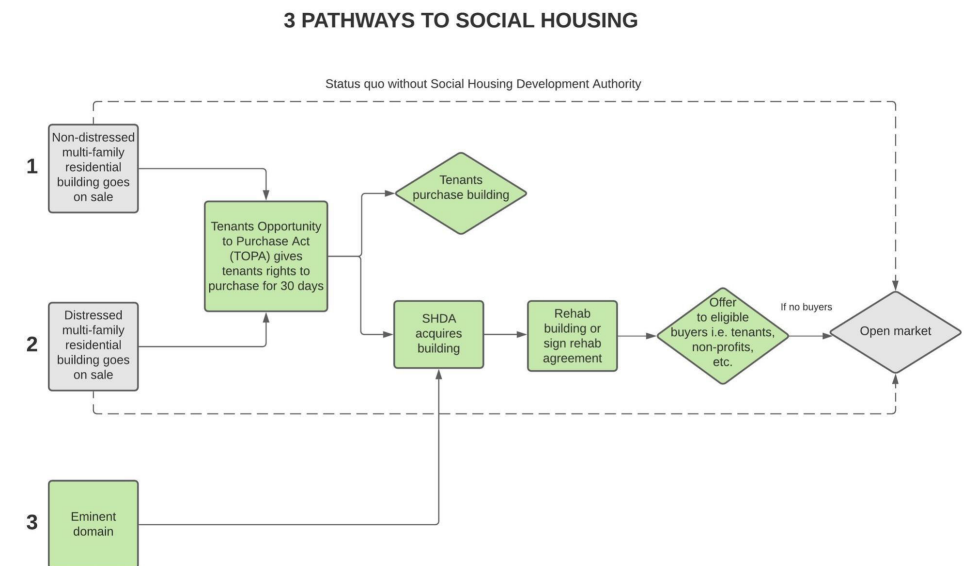
Source: Adapted from Gianpaolo Baiocchi, H. Jacob Carlson, Marnie Brady, Ned Crowley, and Sara Duvisac, The Case for a Social Housing Development Authority, NYU/Gallatin: Urban Democracy Lab (2020). https://urbandemos.nyu.edu/2020/11/23/the-shda-a-proposal/

STRUCTURE AND FUNDING

Unlike the United States Department of Housing and Urban Development (HUD), the SHDA would sit outside of the executive branch as a government-sponsored corporation with legal independence akin to that of a private business. Per the proposal's authors, this would help insulate the authority from the vicissitudes of politics and allow it to move more nimbly. It would be overseen by a governing board that would set policy and investment priorities, as well as overall organizational strategy. The board would be made up of representatives from affordable housing organizations and housing rights advocates as well as public servants from HUD and other relevant agencies. Regional offices would be set up to build partnerships with local organizations, government agencies, and communities, and staffed by people with experience in asset acquisition, housing finance, property management, affordable housing, and community development.

Initially, the SHDA would require capitalization from Congress but would ultimately fund its work by issuing bonds backed by the U.S. Treasury and by financing and transferring properties. Proceeds from bond sales would fund early acquisitions while property sales would eventually allow the SHDA to meet most of its debt service obligations and pay for rehab and retrofitting. The SHDA would also have a financing operation that would allow it to directly lend to eligible entities on favorable terms and serve as an additional source of revenue. If properties held by the SHDA decline in value before a transfer, occasional appropriations by Congress would help mitigate any losses incurred.

PROPOSAL EVALUATION: THE POTENTIAL OF THE SHDA

A STRONG CASE FOR INTERVENTION

As is, one's right to housing in the United States is guaranteed only by their ability to pay. This conflict is not inevitable but can only be resolved with large-scale government intervention. Without it, communities across the country will continue to face displacement, dispossession, and further consolidation of real estate holdings. The SHDA offers a new configuration for federal housing intervention, distinct from that of public housing, by directing federal support to locally responsive, permanently affordable models with immediate benefits, slowly transforming the nature of housing provision one property at a time.

The SHDA would have the infrastructure and capital to compete against private housing developers and speculators nationally but would also be attentive to the particularities of place. In fueling the growth of a "social housing sector," the SHDA would prioritize those organizations that are in and of local communities. Responsive, responsible design of social housing sites and programs matters both as a means of reducing stigma and of serving the specific needs of a given neighborhood and is best achieved by organizations accountable to their communities. Housing already provided by these organizations, such as community land trusts, limited equity cooperatives, and some public housing projects are considered social housing and would need only to be retrofitted and their governance structure updated. In rural communities, residents of manufactured housing are purchasing shared property and forming mobile home cooperatives. In fact, the ROC USA network has supported the creation of more than 260 resident-owned communities in 18 states.[21] The SHDA's strength is in its reliance on and investment in expanding existing infrastructures like this.

While it may seem like a radical departure from the federal government's established role, this structure largely requires it to redirect activities it has long carried out. The SHDA would not build new housing but would acquire it and oversee the rehab and short-term property management by private companies. Additionally, the SHDA

> Unlike the United States Department of Housing and Urban Development (HUD), the SHDA would sit outside of the executive branch as a government-sponsored corporation with legal independence akin to that of a private business.

would issue bonds and finance loans, which various federal agencies already do. Though it would have fundamentally different goals, the SHDA would have a similar institutional design to that of the Homeowners Loan Corporation and Resolution Trust Corporation.

Because of its central role in people's lives, housing policy sits at the nexus of many progressive projects aimed at improving conditions for working- and middle-class families.[22] Specifically, housing is a climate and environmental justice issue, and the SHDA offers an opportunity to forge a new relationship between housing and the environment. By colocating interventions, the SHDA would dramatically improve the quality of our housing stock, the health and safety of residents, and the efficiency of each unit. Green retrofits would reduce tenants' water and energy bills as well as cut carbon emissions, providing benefits to both residents of social housing and the communities they live in. Research conducted by Data for Progress and the McHarg Center for Urbanism and Ecology at the University of Pennsylvania on the Green New Deal for Public Housing Act supports these claims.[23]

While homeownership still sits at the center of the "American Dream," as noted in the introduction, it is not without its risks. For instance, prior to the COVID-19 pandemic, 3.6 percent of all mortgages were in some stage of delinquency.[24] Of course, these risks are not evenly distributed.

> While it may seem like a radical departure from the federal government's established role, this structure largely requires it to redirect activities it has long carried out.

During the subprime mortgage crisis, discriminatory lending practices led to higher delinquency and foreclosure rates among Black and Hispanic/Latinx homeowners, even after controlling for differences in income and credit scores.[25] Black neighborhoods also suffered disproportionately: Those with more than 50 percent Black residents had a foreclosure rate twice as high as those with less than 10 percent Black residents.[26] They also saw much higher rates of eviction among renters and were more likely to experience negative foreclosure spillover effects, including lower property values and higher rates of crime.[27] Similar patterns have played out throughout the COVID-19 pandemic: Black, Hispanic/Latinx, and Asian borrowers have been significantly more likely than White borrowers to miss mortgage payments and far less likely to refinance or make use of payment deferral programs.[28] By design, the SHDA would intervene and stabilize those neighborhoods where federal housing policy has long enshrined racial inequality. The authority would also retain the ability to purchase mortgage notes and restructure loans for individuals and families at risk of default.

For many, homeownership does not offer the cure-all that they were promised. Policymakers should not underestimate the ability of public policy to shift the attractiveness of owning to renting. Renting comes with many worthwhile benefits, like short-term flexibility and increased mobility. With reasonable rents, it would

also allow many the ability to save money. In addition, social housing could extend many of the perceived benefits of home-ownership to renters. For example, residents could be granted succession rights that allow them to pass their social housing units on to their children. A program like this has the potential to rearticulate what security and wealth look like in the United States and to serve as a source of both.

REQUIRED POLICY, LEGISLATION, AND POLITICAL SUPPORT

A program of this scope and scale depends on specific enabling factors, such as supporting legislation, increased local capacity, and political will. As Baiocchi and Carlson noted, to maximize its impact, the creation of the SHDA must be coupled with the repeal of the Faircloth Amendment as well as the enactment of a national Tenant Opportunity to Purchase Act (TO-PA).[29] By forbidding a net increase in public housing units, the Faircloth Amendment would hamstring potential partnerships between the SHDA and PHAs. Its repeal would allow the SHDA to rehab and transfer properties to those local entities with arguably the greatest capacity to own and manage social housing. A national TOPA would provide tenants the first opportunity to purchase their building should it go up for sale. It also gives tenants the "right of first refusal," allowing them to counter any third-party offer the landlord accepts. This would allow for the creation of social housing without acquisition by the SHDA. The SHDA would also require certain legal

> Policymakers should not underestimate the ability of public policy to shift the attractiveness of owning to renting.

instruments, such as pre- and post-foreclo-sure powers and, in extreme cases, eminent domain, to outpace speculators and avoid the pitfalls of the Neighborhood Stabilization Program, which failed to mobilize federal dollars fast enough to make a sustained impact following the subprime mortgage crisis.

The capacity for real estate development in the public and nonprofit sectors differs dramatically by geography. While some cities boast robust nonprofit housing eco-systems and booming construction indus-tries, rural and suburban communities will need support strengthening their housing organizations and growing skilled work-forces. Fortunately, ongoing investment in the acquisition, maintenance, retrofit-ting, and management of social housing by the SHDA presents an ideal platform on which to build robust workforce develop-ment and jobs pro-grams. A companion workforce develop-ment program could train residents of these communities in green construction, maintenance, and manage-ment while hiring requirements would ensure their employment. Where there is a dearth of eligible entities, the SHDA could fund national community development organizations, such as NeighborWorks America, to build local capacity.

Only in the last few years has social hous-ing become more possible, and it contin-ues to gain steam. Soaring housing costs and the COVID-19 pandemic have ex-acerbated inequality and instability, have made some households newly vulnerable,

and have shed a harsh light on the cracks in our housing system. Policymakers at every level of government, across almost every city and state, are responding with new and innovative solutions. Increasingly, their proposals have an eye toward social housing. State delegate Vaughn Stewart reintroduced a bill to establish and fund Maryland's Social Housing Program in February 2020, supported by an unlikely coalition of leftists, mayors, housing au-thorities, and county executives.[30] In No-vember 2020, San Francisco voters passed Propositions I and K to authorize and fi-nance a municipal social housing program through an increased real estate transfer tax. The tax is expected to generate $196 million annually for social housing and an oversight board has been established to ad-vise the city on its use.[31]

The SHDA is poised to be part of a suite of progressive policies aimed at meeting the fundamental needs of working- and mid-dle-class people and investing in the long-term stability of communities. Social hous-ing also enjoys popular support. According to a national poll of registered voters con-ducted in April 2019, social housing is seen more favorably than equitable zoning, rent relief, and rent stabilization: Sixty percent of all voters were in favor while only 22 per-cent were opposed.[32] Despite this, as a high-ly visible, large-scale government program that requires upfront spending, the SHDA will face resistance from Republicans and Democrats alike. Senator Bernie Sand-ers (I-VT) and Representative Alexandria Ocasio-Cortez (D-NY) have voiced their support for social housing, but at the fed-eral level, there is currently not a steadfast champion promoting the SHDA's creation. Therefore, advocates should emphasize the SDHA's ability to address intersecting cri-

ses while creating jobs, recouping costs, and generating revenue. Furthermore, they should articulate its potential economic im-pact in each state. SHDA advocates might first pursue the authorization of a voluntary demonstration program with limited scope that could prove its effectiveness and reveal areas for refinement.

RECOMMENDATIONS

To further strengthen the proposal and en-sure its connection to existing federal hous-ing policy, I offer the following recommen-dations for Baiocchi and Carlson's proposal:

- Specify eligibility, ownership, and af-fordability requirements: While the SHDA proposal is flexible by design, certain essential elements must be de-fined so as to make clear the distinction between social housing and conven-tional affordable housing. What mini-mum criteria will eligible entities need to meet? How will property owner-ship be structured to ensure collective governance? What legal mechanisms will protect long-term affordability?[33]

- Identify sources of capital for eligible entities: The cost to acquire housing is high, although lower than building new development. Eligible entities will need an infusion of capital to finance their purchases and some of their on-going operations if they are to acquire properties from the SHDA. Any real-istic proposal must be accompanied by a plan to adequately fund these orga-nizations. This would likely require adapting current affordable housing fi-nance tools and initiating new funding streams diverted from homeownership programs like the home mortgage in-

terest deduction. The Housing Trust Fund also has a role to play in expanding the footprint of social housing.

- Design a blueprint for education and organizing: Ongoing education and organizing work must complement the creation of the SHDA to build collective will and ensure that communities have the tools necessary to initiate social housing projects.

- End public housing disposition: Despite the success of social housing programs internationally, the real and assumed failures of public housing have been used to justify HUD programs that enable PHAs to demolish, dispose of, or privatize units, such as HOPE VI and the Rental Assistance Demonstration (RAD). While RAD has successfully leveraged private capital to rehabilitate severely distressed units, the quality of its implementation has varied greatly by geography and left tenants vulnerable to mismanagement and eviction. These programs have also diminished the capacity of local municipalities to acquire, rehab, and manage real estate. Yet nearly 1 million public housing units remain and could serve as the foundation for a national social housing program. Proposals for the SHDA should call for an end to current disposition programs as well as clarify a new role for PHAs.

- Support increased funding to existing interventions: Until the SHDA can be fully established, policymakers should expand the availability of subsidies, such as Housing Choice Vouchers, for at-risk renters and owners. While these programs are imperfect, harm is being done now to people who cannot afford a permanent home. As the public sector rebuilds its capacity for housing finance and development, it must continue to take care of those most in need. As the SHDA develops, these subsidies could be scaled down or layered into social housing to offer additional affordability.

CONCLUSION

For nearly a century, the federal government has channeled money into homeownership programs that offer stability and wealth generation to only a subset of the population. Through the SHDA, we could extend these same benefits to everyone by building a durable federal housing program forged in the public interest. The creation and upfront capitalization of the SHDA would be a sound investment that offers a path to permanent affordability and housing security for all households without compromising on self-determination. It would serve as the engine of transformation that we desperately need. Still, the SHDA is a fledgling policy proposal and there is room to improve upon its foundations. Future elaborated proposals for the SHDA should call for the end of public housing disposition and articulate a new role for PHAs as well as identify sources of capital for eligible entities to build capacity and acquire properties.

ENDNOTES

Gianpaolo Baiocchi, and H. Jacob Carlson, (2020), The Case for a Social Housing Development Authority (New York, NY: Urban Democracy Lab, New York University, 2020). https://urbandemos.nyu.edu/wp-content/uploads/2020/11/SHDA-whitepaper-Nov2020.pdf.

1. Tom Hanchett, "The Other 'Subsidized Housing': Federal Aid to Suburbanization," in From Tenements to the Taylor Homes: In Search of an Urban Housing Policy in Twentieth Century America, eds. John F. Bauman, Roger Biles, and Kristin M. Szylvian (Pennsylvania State University Press, 2000), 163–79.

2. Debbie Gruenstein Bocian, Wei Li, Carolina Reid, and Roberto G. Quercia, Lost Ground, 2011: Disparities in Mortgage Lending and Foreclosures (Durham, NC: Center for Responsible Lending, 2011). https://www.responsiblelending.org/mortgage-lending/research-analysis/Lost-Ground-2011.pdf.

3. Jung Hyun Choi et al., Explaining the Black-White Homeownership Gap: A Closer Look at Disparities across Local Markets (Washington, DC: The Urban Institute, 2019), https://www.urban.org/research/publication/explaining-black-white-homeownership-gap-closer-look-disparities-across-local-markets.

4. Joint Center for Housing Studies of Harvard University, The State of the Nation's Housing 2020 (Cambridge, MA, 2020). https://www.jchs.harvard.edu/state-nations-housing-2020.

5. National Low Income Housing Coalition, Out of Reach: The High Cost of Housing (Washington, DC. 2020). https://reports.nlihc.org/sites/default/files/oor/OOR_2020.pdf.

6. Tina Lee, Natasha Leonard, and Lauren Lowery, "Enumerating Homelessness: The Point-in-Time Count and Data in 2021," Washington, DC: National League of Cities, 2021, https://www.nlc.org/article/2021/02/11/enumerating-homelessness-the-point-in-time-count-and-data-in-2021/.

7. "America's Rental Housing 2020," Joint Center for Housing Studies of Harvard University, Cambridge, MA, 2020, https://www.jchs.harvard.edu/americas-rental-housing-2020.

8. Manual Aalbers, "Geographies of the Financial Crisis. Area 41, no.1 (March 2009): 34–42. https://www.jstor.org/stable/40346166.

9. Leilani Farha, UN. Secretary-General, UN. Human Rights Council, Special Rapporteur on Adequate Housing as a Component of the Right to an Adequate Standard of Living and on the Right to Non-Discrimination in this Context Geneva, (Switzerland: United Nations, 2017), https://digitallibrary.un.org/record/861179?ln=en.

10. Elora Lee Raymond, Richard Duckworth, Benjamin Miller, Michael Lucas, and Shiraj Pokharel, "From Foreclosure to Eviction: Housing Insecurity in Corporate-Owned Single-Family Rentals," Cityscape 20, no. 3 (2018):159--88. https://www.huduser.gov/portal/periodicals/cityscpe/vol20num3/ch9.pdf.

11. Joint Center for Housing Studies of Harvard University, America's Rental Housing 2020, (Harvard Graduate School of Design, Harvard Kennedy School, 2020), https://www.jchs.harvard.edu/sites/default/files/reports/files/Harvard_JCHS_Americas_Rental_Housing_2020.pdf.

12. Desiree Fields, "Unwilling Subjects of Financialization," International Journal of Urban and Regional Research 41, no.4 (2017), https://doi.org/10.1111/1468-2427.12519; Lily Katz, and Sheharyar Bokhari, "Investor Home Purchases Hit Record, Surpassing Pre-Pandemic Levels," Redfin, (2021), redfin.com/news/investor-home-purchases-q2-2021/.

13. Elora Lee Raymond, Richard Duckworth, Benjamin Miller, Michael Lucas, and Shiraj Pokharel, "Corporate Landlords and Displacement: Evictions in Single Family Rentals," Federal Reserve Bank of Atlanta, Community and Economic Development Discussion Paper Series, 2016–4. https://www.atlantafed.org/community-development/publications/discussion-papers/2016/04-corporate-landlords-institutional-investors-and-displacement-2016-12-21; Mathew Desmond, and Nathan Wilmers, "Do the Poor Pay More for Housing? Exploitation, Profit, and Risk in Rental Markets," American Journal of Sociology 124, no. 4 (2019): 1090–1124. https://www.journals.uchicago.edu/doi/full/10.1086/701697?mobileUi=0.

14. Alica Mazzara and Bud Knudsen, Where Families with Children Use Housing Vouchers: A Comparative Look At the 50 Largest Metropolitan Areas. (Center on Budget and Policy Priorities and Poverty & Race Research Action Council, 2019), https://www.cbpp.org/research/housing/where-families-with-children-use-housing-vouchers.

15. OECD, Social Housing: A Key Part of Past and Future Housing Policy. (Employment, Labour and

Social Affairs Policy Briefs. Paris, France, 2020). http://oe.cd/social-housing-2020.

16. Alex F. Schwartz, Housing Policy in the United States (London: Routledge, 2010).

17. National Low Income Housing Coalition, Public Housing: Where Do We Stand? (Washington, DC, 2019), https://nlihc.org/resource/public-housing-where-do-we-stand.

18. Oksana Mironova and Thomas J. Waters, "Social Housing in the U.S." (Community Service Society, 2020), https://www.cssny.org/news/entry/social-housing-in-the-us.

19. Baiocchi and Carlson, The Case for a Social Housing Development.

20. Baiocchi and Carlson, The Case for a Social Housing Development.

21. "Where They Are," ROC USA: Resident Owned Communities, (2021), https://rocusa.org/whats-a-roc/where-they-are/.

22. Peter Harrison and Henry Kraemer, The Progressive 2020 Agenda for Housing (New York: Data for Progress, 2020), https://www.filesforprogress.org/reports/homes_for_all.pdf.

23. Daniel Cohen et al., A Green New Deal for American Public Housing Communities. Data for Progress and the McHarg Center for Urbanism + Ecology at the University of Pennsylvania. (New York and Philadelphia, 2019). http://filesforprogress.org/reports/green-new-deal-public-housing-national.pdf.

24. "July U.S. Mortgage Delinquency Rates Approach Pre-Pandemic Levels, CoreLogic Reports," CoreLogic, 2021, https://www.corelogic.com/press-releases/july-u-s-mortgage-delinquency-rates-approach-pre-pandemic-levels-corelogic-reports/.

25. Carolina K. Reid, Debbie Bocian, Wei Li, and Roberto G. Quercia, "Revisiting the Subprime Crisis: The Dual Mortgage Market and Mortgage Defaults by Race and Ethnicity. Journal of Urban Affairs 39, no. 4 (2016): 469–487. https://doi.org/10.1080/07352166.2016.1255529.

26. Reid et al., "Revisiting the Subprime Crisis."

27. National Low Income Housing Coalition, Renters in Foreclosure: A Fresh Look at an Ongoing Problem. Washington, DC, 2012) https://nlihc.org/sites/default/files/rentersinforeclosure2012.pdf; Jenny Schuetz, Vicki Been, and Ingrid Gould Ellen, "Neighborhood Effects of Concentrated Mortgage Foreclosures." Journal of Housing Economics 17, no.4, (2008): 306–319. https://furmancenter.org/research/publication/neighborhood-effects-of-concentrated-mortgage-foreclosures.

28. Kristopher Gerardi, Lauren Lambie-Hanson, and Paul Willen, "Racial Differences in Mortgage Refinancing, Distress, and Housing Wealth Accumulation during Covid-19." Current Policy Perspectives Paper Series, 2021-6. (Federal Reserve Bank of Boston Research Department, 2021), https://www.bostonfed.org/publications/current-policy-perspectives/2021/racial-differences-in-mortgage-refinancing-distress-and-housing-wealth-accumulation-during-covid-19.aspx.

29. Baiocchi and Carlson, The Case for a Social Housing Development.

30. Galen Hertz, "Social Housing is becoming a Mainstream Policy Goal in the US." Jacobin (2021), https://www.jacobinmag.com/2021/02/social-housing-public-affordable-california-maryland.

31. Office of the Controller and Office of Economic Analysis. Increases to the Transfer Tax Rate for Properties Over $10 Million: Economic Impact Report (City and County of San Francisco, 2020). https://sfcontroller.org/sites/default/files/Documents/Economic%20Analysis/200654_economic%20impact_final.pdf.

32. Harrison and Kraemer, The Progressive 2020 Agenda for Housing (New York: Data for Progress, 2020).

33. Baiocchi and Carlson, The Case for a Social Housing Development.

THE UN-ATTENTION ECONOMY: ON THE LACK OF AWARENESS OF SOCIAL MEDIA'S IMPACT IN THE GLOBAL SOUTH

by Jose Diaz Azcunaga

THE UN-ATTENTION ECONOMY: ON THE LACK OF AWARENESS OF SOCIAL MEDIA'S IMPACT IN THE GLOBAL SOUTH

JOSE DIAZ AZCUNAGA

Edited by: Nithya Nagarathinam, Ananya Vajpeyi, Sahiba Lal, Lola Solis

Guest Editors: Ankita Joshi, Zhouyan Liu

Social media has become a staple for society — 60 percent of the population worldwide was active on social media by the end of 2021.[1] It has evolved into a space where news, jobs, social life, or entertainment are exchanged for our attention, likes, location, and swipes. Social media companies monitor our interactions within their platforms, but we do not have the same transparency toward their operations. As social media permeates almost every facet of public life, data is being collected on an unprecedented scale and concentrated among a handful of companies. Further, the monopolistic provision in the digital platform market has left society with few options. All of this has led to the accumulation of immense profits and power by social media companies, especially in the age of the digital economy in which data has become a commodity. The ways in which social media's influence, power, and profit

ambitions have been detrimental to society are clear: privacy violations, unsuccessful self-regulation of harmful and distorted content, and platform misuse continue to plague the digital environment. However, not enough attention has been drawn to the distinct and incremental nature that these harms have in the Global South.

> The ways in which social media's influence, power, and profit ambitions have been detrimental to society are clear: privacy violations, unsuccessful self-regulation of harmful and distorted content, and platform misuse continue to plague the digital environment.

Systemic differences between the Global South and North create overlapping and interdependent systems of disadvantage for the former. It is due to their distinct political, economic, and cultural context that social media's harm in countries of the Global South has been exacerbated. These specific vulnerabilities can be better understood through the lens of digital colonialism. Digital colonialism refers to a colonizer — in this case, the Global North — dominating the political, economic, and social domains of life through the means

of the digital ecosystem: software, hardware, or network connectivity.[2] Without having to be physically there, digital colonizers can exploit the vulnerabilities of low- and middle-income countries to advance their interests. This exertion of power on the Global South has been mostly deployed through three different mechanisms: resource extraction, control over the internet, and regulatory impositions.

The profitability of digital targeted advertising and the growth ambitions of social media have incentivized the extraction of economic resources from the Global South. Digital targeted ads, valued at $154 billion, represent the majority of revenue for social media platforms.[3] This revenue stream relies on big data, where the larger the size of the user base and the more data aboutthem, the better their profiling and targeting. A business model, as such, has led to the prioritization of commercial interests over consumer privacy. Social media's biggest players have recently turned to underserved markets in the Global South.. in addition to less stringent regulation, makes the Global South low-hanging fruit for the expansion endeavors of social media companies.[4]

Social media platforms have grown importantly in the Global South and have tailored regional strategies to do so. It is estimated that most of the 2 million new users who join social media platforms daily come from low- and middle-income countries.[5] Schemes exploiting consumers' higher cost of connectivity and lack of access to digital

> The profitability of digital targeted advertising and the growth ambitions of social media have incentivized the extraction of economic resources from the Global South.

services have been important drivers of this growth. For instance, Free Basics is an app developed by Meta Platforms, Inc. (owner of Facebook), which in collaboration with local mobile operators provides access to news, communication tools, health information, education resources, and other low-bandwidth services without any data charges. The app, which is active in 66 countries, claims to "help people discover the relevance and benefits of connectivity with free access to basic online services."[6] In reality, Free Basics has been shown to lack nuance in regard to local needs, content, and linguistics, while collecting ample data on its users.[7] Whether these are deliberate design choices or not, they have led to the extraction of profitable user data in the Global South, and even violation of net neutrality.[8]

The enterprise of profitable extraction by the Global North is not limited to the software realm. Alphabet and Meta together account for 80 percent of all investments in transatlantic deep-sea cables across Africa and Asia in recent years.[9] Effectively, the provision of the basic infrastructure that enables internet connectivity represents another strategy to open the market and funnel data from new users. Furthermore, Alphabet's and Meta's ownership and control of the infrastructure can potentially lead to abusive power dynamics between companies, local governments, and the people in these regions. For example, Alphabet and Meta could leverage their power over the internet to brush aside any

attempt at regulation, or, on the contrary, collude with local governments over access and censorship of content. Ultimately, rather than a true attempt to achieve digital equity in these regions, as they are being sold, these remain profit-driven extractive projects.

The monopolization of social media markets has meant control over the flow of information. In the Global South, this can result in control over the internet and a further weaponization of the platforms. The scale of digital platforms, the lack of interoperability, and the acquisition of new competitors have led to a concentrated market. First, the size of the social network of incumbent digital platforms has resulted in network effects. In other words, the service provided by the platform gets more valuable as the user base gets larger.[10] Second, the high cost of switching platforms for consumers e.g., losing their social network and data) disincentivizes them from doing so, further empowering the largest firms. Moreover, when innovative rising competitors do emerge, they get bought up or copied by incumbent platforms. All the latter has resulted in a high barrier of entry for other competitors and the concentration of the market.[11] Monopolies are particularly problematic in social media markets because digital platforms are information gatekeepers. By having power over what content society sees, social media companies have gained influence over political, cultural, and economic spheres. Under the status quo, misinformation, polariza-

> The monopolization of social media markets has meant control over the flow of information. In the Global South, this can result in control over the internet and a further weaponization of the platforms.

tion, and hate speech have been flourishing through digital platforms. This has further implications for countries in the Global South, given their distinct political climate and how much more the internet is accessed through social media platforms.

By neglecting to take into consideration the local politics and higher reliance on digital platforms of countries in the Global South, a monopolized social media market has resulted in further harm to consumers. Myanmar, where Facebook dominates 99 percent of the social media market, serves as an example of the exacerbated issues of a social media monopoly. In Myanmar, as in many low- and middle-income countries, many users lack awareness of the internet beyond the Free Basics app and rely heavily on social media as their source of news.[12] This power over online information and accessibility to the internet is imperative, especially in a country in the midst of a political conflict. For instance, the publishing of harmful content has been found to play a relevant role in fueling hatred toward the Rohingya people, an ethnic Muslim minority in Myanmar. Harmful content, such as propaganda and hate speech, has proliferated over the last years.Digital platforms have tried to keep up by developing in-house policies to regulate harmful content on the platform. For example, both Meta's and YouTube's removal of hate speech increased by tenfold in two years.[13] However, they have under-invested in content safety systems for non-English languages,

despite the fact that the bulk of their users have a different lingua franca: 72 percent of Facebook, 62 percent of Instagram, and 57 percent of all TikTok's users are outside of North America and Europe.[14] At the peak of Myanmar's military crackdown and ethnic violence, Facebook had only a couple of Burmese speaking moderators and none of them were physically present in the country. [15]This was the case even though the platform was warned of potential social conflict by local civil society organizations and academics. Myanmar's conflict, which has already forced more than 700,000 Rohingyas to migrate due to violence, reflects how social media's self-regulation efforts entail another layer of responsibility due to theirmonopolistic presence in the Global South.[16]

> By neglecting to take into consideration the local politics and higher reliance on digital platforms of countries in the Global South, a monopolized social media market has resulted in further harm to consumers.

Furthermore, social media's sophisticated recommendation algorithms have been misused by third parties to target relevant audiences and shape their perceptions. In the Global South, this has been particularly exploited by authoritarian governments and other regional political actors as a tool for persuasion and oppression.[17] In the Philippines, for instance, President Rodrigo Duterte's increasingly authoritarian government has carried out a misinformation and harassment campaign against journalists critical of his regime through astroturfing.[18] Astroturfing refers to the intentional planting and spread of an idea with the intent to misinform to one's advantage.[19] In other words, if you can make it trend, you can make it true. For example, through

posts claiming that key oppositions in the media were associated with the U.S. Central Intelligence Agency (CIA), the Filipino government successfully shaped public perception toward these journalists in an attempt to deter and discredit their work. For example, it was found that 26 fake social media accounts were used to reach 3 million other people, leading to hate directed at specific opposing media outlets.[20]

Finally, even though problems surrounding social media have a different nature in the Global South, regulation has been imposed by the Global North. The global and "barrier-less" nature of the internet has brought with it jurisdiction issues of digital platform regulation. Within the current state of affairs, most regulation regarding the operations of social media has come from Western and high-income countries.[21] Even though each country could stipulate its own laws to regulate platform companies in the Global South, they do not have a sufficient rule of law, nor the institutional and human resources to stand up for themselves. This has set up the Global North to take a "world leading stance," indirectly conferring its power over how social media law is enforced in the Global South.[22] As mentioned before, there are important differences in the impacts due to idiosyncratic characteristics, which beg for the need of a more nuanced regulation. Furthermore, thus far, regulation has not come until social media operations become an issue of public interest in high-income countries. For example, the questionable

rule of law and high internet penetration in the Philippines made it an ideal testing ground for the use of social media as a tool for disinformation campaigns and political propaganda.[23] However, outcries of regulation only came after the manipulation campaign during the 2016 election in the United States, despite such political deception campaigns being first tried in politically unstable countries at risk of conflict in the Global South.[24]

The policy vacuum in which social media companies have operated has resulted in harm across the world. Self-regulation, the status quo until now, implies a clear conflict of interest for firms that gain more profit the more they capture people's attention. However, failing to recognize the rightful agency of the Global South in the regulation of these issues, and to acknowledge socio-cultural and ethnic differences, political instability, and armed conflicts, will continue to lead to differential outcomes. The need for intervention is unquestionable. The question that remains unanswered is how to do it. There are no clear-cut solutions for how to address these complex and multilayered issues, not even in the Global North.iven the characteristics of the problem, any policy recommendation that strives to truly address social media's harms equitably should consider these suggestions:

> The policy vacuum in which social media companies have operated has resulted in harm across the world.

- Set basic ground rules at the international level for competition, data privacy, and transparency, as well as the regulation of misusing social media platforms.

- Provide recommendations and assistance developed alongside countries in the Global South to make sure proposed solutions can be tailored to the regional nuances of each country.

- Hold social media platforms accountable in a comprehensive manner by putting neo-colonial practices under the spotlight. The Global North has to step up and assume its co-responsibility on the issue.

- Reach a collaborative solution across sectors. It is only through the understanding of conflicting interests that a true and feasible solution can be achieved.

Even though policy usually trails technological advancements, regulation of social media should serve as an exercise for more agile, global, and coordinated policy-making. This might prove important over the long term as social media and society keep evolving. All in all, it comes down to checks, balances, and above all, nuance.

ENDNOTES

1. Kepios, "Global Social Media Users," DataReportal, January 29, 2022, https://datareportal.com/social-media-users; Kepios, "Digital Around the World," DataReportal, January 15, 2022, https://datareportal.com/global-digital-overview.

2. Michael Kwet, "Digital Colonialism: US Empire and the New Imperialism in the Global South," Race & Class 60, no. 4, (January 14, 2019), https://doi.org/10.1177%2F0306396818823172.

3. Statista, "Digital Advertising Report 2021," Statista Digital Market Outlook, December 2021, https://www.statista.com/study/42540/digital-advertising-report/; Statista Research Department, "Social Media Marketing Worldwide—Statistics & Facts," Statista, 2020. https://www.statista.com/topics/1538/social-media-marketing/#dossierKeyfigures.

4. Jacob Poushter, Caldwell Bishop, and Hanyu Chwe, "Social Media Use Continues to Rise in Developing Countries but Plateaus Across Developed Ones" Pew Research Center, June 19, 2018, (2018), accessed December 18th, 2021, https://www.pewresearch.org/global/2018/06/19/social-media-use-continues-to-rise-in-developing-countries-but-plateaus-across-developed-ones/ https://www.pewresearch.org/global/2018/06/19/social-media-use-continues-to-rise-in-developing-countries-but-plateaus-across-developed-ones/.

5. Statista, "Digital Advertising Report 2021"; Statista Research Department, "Number of Worldwide Social Network Users," Statista, January 28, 2022, https://www.statista.com/statistics/278414/number-of-worldwide-social-network-users/.

6. META, "Free Basics," Facebook Connectivity, https://www.facebook.com/connectivity/solutions/free-basics.

7. Tim Kadlec, "Free Basics in Real Life—Global Voices for Life," January 30, 2018, https://timkadlec.com/saved/2018/01/free-basics-in-real-life-advox-global-voices/; Njeri Wangari Wanjohi and Kofi Yeboah, "Free Basics: Facebook's Failure at 'Digital Equality,'" Aljazeera, August 31, 2017, https://www.aljazeera.com/opinions/2017/8/31/free-basics-facebooks-failure-at-digital-equality

8. Net neutrality refers to an equal playing field for all types of websites and content, where there is no preference or advantage in exposure, speed or other digital conditions of certain sites over others

9. Theo Wayt, "Facebook, Google Build Undersea Internet Cables for Users In Asia and Africa," New York Post, August 16, 2021, https://nypost.com/2021/08/16/facebook-google-build-undersea-internet-cables-for-asia-and-africa/.

10. "Investigation of Competition in Digital Markets," United States: Subcommittee on Antitrust, Commercial and Administrative Law of the Committee on the Judiciary, 2020, https://purl.fdlp.gov/GPO/gpo145949.

11. "Investigation of Competition in Digital Markets," United States.

12. Nic Newman, Richard Fletcher, Anne Shulz, Simge Andi, and Rasmus Kleis, Nielsen, "Reuters Institute Digital News Report 2020" Reuters Institute and University of Oxford, 2020. https://reutersinstitute.politics.ox.ac.uk/sites/default/files/2020-06/DNR_2020_FINAL.pdf.; "In Myanmar, Facebook Struggles with a Deluge of Disinformation," The Economist, October 22, 2020, http://www.economist.com/asia/2020/10/22/in-myanmar-facebook-struggles-with-a-deluge-of-disinformation.

13 "Social Media's Struggle with Self-Censorship". The Economist: Briefing, accessed October 24, 2020, http://www.economist.com/briefing/2020/10/22/social-medias-struggle-with-self-censorship.

14. The Economist: Briefing; Clare Duffy, Aditi Sangal, Melissa Mahtani and Meg Wagner, "Internal Facebook Papers Revealed," CNN, October 26, 2021, https://www.cnn.com/business/live-news/facebook-papers-internal-documents-10-25-21/index.html; David Curry, "TikTok App Report 2022," Business of Apps, March 9, 2022, https://www.businessofapps.com/data/tiktok-report/; Kepios. "Global Social Media Stats."

15. Steve Stecklow, "Why Facebook Is Losing the War on Hate Speech in Myanmar," Reuters Investigates, August 15, 2018, https://www.reuters.com/investigates/special-report/myanmar-facebook-hate/.

16. USA for UMHCR, "Crises 101: Rohingya Refugee Crisis Explained," The UN Refugee Agency, August 25, 2021, https://www.unrefugees.org/news/rohingya-refugee-crisis-explained/#:~:text=The%20Rohingya%20have%20suffered%20decades,to%20seek%20refuge%20in%20Bangladesh.

17. Thomas Zeitzoff, "How Social Media Is Changing Conflict," Journal of Conflict Resolution

61, no. 9 (October 2017): 1970–91, https://doi.org/10.1177/0022002717721392.

18. Christina Pazzanese, "How an Authoritarian Wields Social Media," The Harvard Gazette, November 18, 2021, https://news.harvard.edu/gazette/story/2021/11/maria-ressa-warns-of-authoritarians-social-media-disinformation/.

19. Tristan Harris, Aza Raskin, "The Dictator's Playbook with Maria Ressa," Center for Humane Technology | Your Undivided Attention Podcast, Episode 9. November 2019, https://www.humanetech.com/podcast/9-the-dictators-playbook.

20   Chay F. Hofileña, "Fake accounts, manufactured reality on social media," Rappler Investigative, October 9, 2016, https://www.rappler.com/newsbreak/investigative/148347-fake-accounts-manufactured-reality-social-media/.

21. For example, the EU's GDPR, which enforces more intuitive privacy and control settings, and the US's Section 230, which waives companies from the liability of illegal content posted to their platforms.

22. "Internal Facebook Papers Revealed," CNN.

23. Tristan Harris and Aza Raskin, "The Dictator's Playbook Revisited. Guest: Maria Ressa," Humane Technology | Your Undivided Attention Podcast, Episode: Bonus, June 16, 2020. https://www.humanetech.com/podcast/20-the-dictators-playbook-revisited; Paige Occeñola, "Exclusive: PH Was Cambridge Analytica's 'Petri Dish' – Whistle-Blower Christopher Wylie," Rappler, September 10, 2019, https://www.rappler.com/technology/social-media/cambridge-analytica-philippines-online-propaganda-christopher-wylie.

24. Occeñola, "Exclusive: PH Was Cambridge Analytica's."

POLICY AND PERSPECTIVES: THE NEED FOR GREATER UNDERSTANDING OF OTHERS IN POLICY DEVELOPMENT & IMPLEMENTATION

by Jessie Harney,
Sean Darling-Hammond

POLICY AND PERSPECTIVES: THE NEED FOR GREATER UNDERSTANDING OF OTHERS IN POLICY DEVELOPMENT & IMPLEMENTATION

JESSIE HARNEY, SEAN DARLING-HAMMOND

Edited by: Charlotte Aaron, Emily Jacobson, Jamie Matos

Guest Editors: Maria Barakat and Noelle Fa-Kaji

INTRODUCTION

Perspective-broadening interventions may help increase empathy and understanding for others, but interventions have not been broadly implemented within the policy space, despite the strong potential for bridging gaps. In this article, we review findings from two separate applications of perspective-broadening interventions and discuss their promise for encouraging better policymaking and increasing support for policies amongst the general public, even amongst those who may not be directly impacted. While perspective-broadening interventions will not solve all policy problems, they are a useful and low-cost tool for improving public decision-making and community well-being.

It is Monday in a big city. Having stayed up late working on a tough biology assignment, Nayomi—an earnest, hard-working sixth grader—rushes from bed to city bus without so much as a bite of breakfast. She barely has time to say goodbye to her mother, who is exhausted from working the night shift at the local hospital. On the bus, Nayomi is hungry and frustrated. She feels particularly upset when another bus rider ridicules her clearly slapped together outfit. The bus is slower than usual, so Nayomi has to run from the bus stop to school. Once inside, the school resource officer teases Nayomi for wearing a scowl. "Smile, girl. It's a beautiful day!" She goes to her first period class, and the teacher immediately scolds her for being tardy. Her peers chortle at the sight of her running in late with that outfit. They all laugh. Nayomi has had enough. "SHUT UP!" she yells. Her teacher asks, "Are you saying that to me, too?" Nayomi responds, "YES! EVERYBODY, SHUT UP, PLEASE!" Her teacher asks the school resource officer to escort Nayomi to the principal's office. There, Nayomi receives the first suspension of her life. It is a fateful one—one that reshapes her relationship with her school and leads to many more suspensions.

What went wrong? From the perspective of Nayomi's teacher, a student came to class late without explanation, disrupted her carefully planned lesson, and then yelled at her. However, from Nayomi's perspective, she has endured an onslaught of derision, all with too little sleep, on an empty stomach, and after a battle with public transportation. What would happen if Nayomi's teacher were able to broaden her perspective and understand what Nayomi was thinking, feeling, and going through? Research suggests this perspective-broadening would lead to more empathy, would discourage a knee-jerk reaction toward exclusionary discipline, and would facilitate a better relationship between Nayomi and her teacher.[1]

Our imagination need not stop there. What might happen if the school resource officer or Nayomi's peers were aware of Nayomi's harrowing morning? Would they pick a kinder greeting? Even if a joke slips out, might one of the students stick up for Nayomi rather than join a chorus of laughter? What of Nayomi's principal or the superintendent of her school district? Would hearing about Nayomi's morning routine encourage the adoption of a school breakfast program or experimentation with a school bus service? What all of these ideas have in common is that they would stem from actors broadening their perspective and shifting their behavior accordingly. Perspective-broadening interventions (PBIs) are designed to catalyze this process and can lead actors (from peers to policymakers) to adjust their attitudes and actions in ways that encourage greater understanding and help communities thrive. In this article, we will define PBIs and characterize existing research about their effectiveness at improving policy outcomes, as well as discuss how PBIs can be used as a tool for policymakers.

EXTANT RESEARCH ON PERSPECTIVE-BROADENING INTERVENTIONS

Perspective-broadening interventions are activities or experiences that are structured to make an individual aware of new perspectives. They generally fall into perspective-getting and perspective-taking interventions. Perspective-getting can be defined as acquiring the beliefs, thoughts, and understanding of another's experience.[2] Perspective-getting is typically operationalized by hearing about another's experience, either indirectly (by reading vignettes or watching videos,)[3] or directly (via in-person communication).[4] In contrast, perspective-taking involves an individual attempting to imagine how another individual may feel or think.[5] These interventions are often operationalized by asking an individual to imagine what it feels like when they encounter a specific situation.[6]

Extant literature suggests that PBIs can help bolster empathy for others, including both perspective-getting interventions and perspective-taking interventions.[7] More specifically, both perspective-getting interventions and perspective-taking interventions have even been found to help improve attitudes toward members of an out-group.[8] In other words, these interventions have demonstrated an ability to support empathizing with a social group that the target individual does not belong to. For example, Cook reported on an experiment in which White prejudiced women interacted with, and received a different perspective from, a Black research confederate in a workplace setting. Subjects were led to believe the Black confederate was a coworker and heard about their feelings of frustration after experiencing racist incidents. Following the perspective-getting interactions, the White women had measurably lower levels of anti-Black bias, and the effects sustained for many weeks.[9]

Perspective-broadening interventions are not proven to be effective in all fields or

applications where they have been carried out. For example, there have been some studies, such as Epley, Caruso, and Bazemann. and Eyal, Steffel, Epley's and others, that have found negative effects of perspective-taking interventions, most of which were applied in contexts where the target individual had limited to no information about the group they were trying to take the perspective of.[10] Therefore, it is crucial that when utilizing perspective-taking in PBIs, individuals are actually informed about what the perspective is, rather than them potentially operating on heuristics and biases (i.e., perspective-taking should only be used in conjunction with perspective-getting). Given the demonstrated value of PBIs, we explore these interventions in two different contexts: education and the criminal justice system.

PERSPECTIVE-BROADENING INTERVENTIONS IN SCHOOLS

In the introduction, we described the experience of a fictional middle school student named Nayomi who dealt with excessive homework; missed breakfast; braved public transit; faced derision from community members, staff, and peers; was scolded for her tardiness; and ultimately broke down, yelled at her teacher, and received a suspension. We posited that her teacher might have been more empathetic and acted differently had she been aware of Nayomi's perspective.

In a seminal randomized controlled field experiment, Okonofua and colleagues (2016) assigned 31 teachers to one of two conditions.[11]

- Treatment — teachers received an intervention in which they read the perspectives of students regarding discipline.[12]

- Control — teachers did not receive student perspectives about discipline (and instead read student perspectives about, for example, using projectors in class).

Below, included is one student perspective received by the treatment teachers:

In middle school, I didn't feel like I belonged. It seemed like the teachers always called on the other students. So I didn't pay attention in class, and sometimes I got in trouble. One day I got detention, and instead of just sitting there, my teacher talked with me about what happened. He really listened to me. And then he told me that he had trouble sometimes in middle school but that it gets better. It felt good to know I had someone I could trust in school.

Figure 2 of the authors' study reviewed outcomes for 1,682 students taught by the treatment and control teachers. Students taught by treatment teachers (those who received student perspectives about and emotional reactions to experiences with discipline) were significantly less likely to be suspended over the course of the school year. Results were consistent across student race, sex, and prior disciplinary experiences. The intervention had another important effect among students who had been suspended in the prior year and had prior disciplinary experience: those assigned to treatment teachers perceived their teachers as being significantly more respectful than those assigned to control teachers.[13]

PERSPECTIVE-BROADENING INTERVENTIONS IN PRISONS

PBIs were recently employed in a survey experiment on Amazon's Mechanical Turk platform. The experiment focused on understanding the impact of perspective-get-

ting and perspective-taking on support for prison reform. Those who were randomly assigned to a perspective-getting condition read a narrative about the experience of confinement written by an individual who had been incarcerated for 25 years.[14] This narrative is an example of perspective-getting: participants were given the opportunity to directly hear another person's perspective.

In this study, perspective-taking was employed through a simple prompt — specifically, for the perspective-taking conditions of the study, each of the perspective-getting narratives was preceded by a prompt that asked participants to try to put themselves in the author's shoes. (See table below for the exact narrative and prompt text used).

Perspective-Getting Narrative with Control Prompt
[Please read the following article excerpt below, and then answer a question related to this text.] *"I'm scared to death. I may die all alone in prison without any of my loved ones around to comfort me and send me off… For those of you reading this who feel trapped or are going stir-crazy due to your coronavirus-induced confinement, the best advice I can give you—as someone used to suffering in long-term confinement—is to take a pause, inhale a few deep breaths, then look around at all the things you have to be grateful for.* *That's what I've done each and every day for the past 25 years. Every morning when I awaken in my 8-by-10-foot cell, I peer out my small window and thank the universe for such a view. It's not much, mostly razor wire and uniform-clad convicts. But out past all those layers of fencing rests the whole wide world."*
Perspective-Getting Narrative with Perspective-Taking Prompt
While reading, please mentally walk in the shoes of someone who is incarcerated in these conditions. You should concentrate on the way they would feel about what has happened by imagining you are actually them. As you read, try to put yourselves in the author's shoes. Please read the following article excerpt below, and then answer a question related to this text. *"I'm scared to death. I may die all alone in prison without any of my loved ones around to comfort me and send me off… For those of you reading this who feel trapped or are going stir-crazy due to your coronavirus-induced confinement, the best advice I can give you—as someone used to suffering in long-term confinement—is to take a pause, inhale a few deep breaths, then look around at all the things you have to be grateful for.* *That's what I've done each and every day for the past 25 years. Every morning when I awaken in my 8-by-10-foot cell, I peer out my small window and thank the universe for such a view. It's not much, mostly razor wire and uniform-clad convicts. But out past all those layers of fencing rests the whole wide world."*

This study found that perspective-getting, in comparison to information alone, improved self-reported support for policy reform. Additionally, results from an exploratory analysis found that the addition of a perspective-taking prompt may bolster intention to take action in support of prison reform.[15]

USING PERSPECTIVE-BROADENING INTERVENTIONS AS A POLICY TOOL

Broadly categorized, PBIs can be applied within two different policy applications, as demonstrated above: 1) informing better policymaking and implementation amongst a group of stakeholders; and 2) encouraging more understanding of the potential need for policy reform and support for these reforms amongst the general public, including those who may not be impacted by these policies directly. There are many other contexts outside of education and corrections to which PBIs may also have substantial benefit. For example, consider the congressional representatives who may make less-than-optimal decisions that leave their constituents worse off. Existing evidence suggests that providing legislators with information on constituent support for a specific initiative increases the likelihood of legislators voting in alignment with their constituents.[16] It may be possible to take this one step further by utilizing a PBI to provide real-world implications of how the legislation on the table may benefit (or harm) constituents and improve lawmaker decision-making.

CONSIDERATIONS AND LIMITATIONS OF PBIS

Existing research indicates that perspective-getting and perspective-taking interventions have the potential to expand empathy and, thereby, equity.[17] However, as discovered in the prison reform PBI survey experiment, perspective-getting seemed to drive the significant effects, and further evidence is needed to better understand the potential for additional benefits of perspective-taking in conjunction with perspective-getting. Moreover, as noted previously, all perspective-getting interventions are not equal. Some of the most effective perspective-getting interventions have involved subjects getting perspective in organic environments (i.e., "real-world" field experiments rather than structured, highly controlled conditions) and over a lengthy duration.[18] These interventions may be effective, but they are expensive and difficult to scale. In contrast, the incarcerated individual PBI described above had modest effects, but it was fast, inexpensive, and, at least, logistically, it could be easily scalable.

> Existing evidence suggests that providing legislators with information on constituent support for a specific initiative increases the likelihood of legislators voting in alignment with their constituents.16 It may be possible to take this one step further by utilizing a PBI to provide real-world implications of how the legislation on the table may benefit (or harm) constituents and improve lawmaker decision-making.

Policymakers hoping to leverage the potential of perspective-getting will need to consider the level of involvement for the intervention that is appropriate. Literature suggests that more involved versions of PBIs, such as conversation-based interventions or interventions where participants engage in perspective-broadening tasks for an extended period of time, may provide greater benefit.[19] However, the more involved an intervention is, the more time-consuming, logistically difficult, and costly it will be. Therefore, designing the PBI so that it has the maximum potential impact while also making sure it can be appropriately implemented in the specific context is crucial. For example, in the PBI in schools experiment, they used a targeted randomized controlled trial to ascertain if a less involved version of the perspective-getting intervention for teachers was still effective in a larger sample, finding that the intervention was still effective.

FUTURE APPLICATIONS: USING PERSPECTIVE-BROADENING INTERVENTIONS AS A POLICY TOOL

Of course, not all policy problems can be solved by PBIs. However, understanding where PBIs can be leveraged may be helpful for furthering support for policies that reimagine the systems and processes that govern our interactions or bridging gaps in understanding of how policies differentially impact individuals or groups.

There are a number of contexts in which future applications of these interventions can and should be considered in the policy space. In relation to the prison reform PBI survey experiment, it would be ideal to test whether this can be scaled up and encourage actual support for policy reform, rather than simply self-reported support, which does not necessarily indicate that their support would translate to action. Such an intervention could be run as a field experiment prior to an election. Mailers could be sent to registered voters with and without perspective-broadening narratives written by individuals that would be impacted by specific prison policy propositions in order to see whether this increases support for the proposition. PBIs may also be used to encourage support of reform amongst system stakeholders, especially frontline workers, given the fact that these individuals are directly responsible for implementing the reforms of interest.

Context is crucial, and interventions should be considered only when appropriate. Todd and Galinsky's 2014 paper, as well as others, highlights four contexts in which PBIs (specifically, perspective-taking) may be counterproductive, including these points: 1) when participants fervidly identify with their own identity groups;[20] 2) when participants are taking the perspective of either an individual or group that is quite disliked; 3) when there are long-standing conflicts between groups; or 4) when there is competition between groups.[21] Therefore, understanding the policy context — including relationships between stakeholders, whether potential benefits of the policy are rival and other key contextual factors — is crucial when considering utilizing PBIs. For example, PBIs may not be ideal for application amongst correctional officers until long-standing institutional problems are resolved or have been substantially improved.

Furthermore, literature also suggests that PBIs may backfire when applied amongst individuals that wield substantial power.[22] Thus, while efforts are certainly needed

to help understand and improve executive-level decision-making, PBIs may not be well suited for improving the way upper-level management or other department leaders make decisions.

Relationships are also crucial to consider. For example, in the context of a diversity training experiment, while Ragins and Ehrhardt found that participants had a greater understanding of the value of perspective-taking that did not necessarily lead to a greater ability to engage in perspective-taking — in fact, only participants that had cross-race friendships, not solely cross-race contact alone, reported an increased ability to engage in perspective-taking.[23] Therefore, in the context of creating more equitably built organizations and spaces, it is not only the presence of diversity but the extent to which these spaces are inclusive that can help foster greater understanding of one another.

CONCLUSION

Perspective-broadening interventions present new opportunities for making progress in the policy context, including increasing support of policies that benefit others amongst those who do not directly benefit from the policy. Additionally, PBIs in the policy context pose a new promising route for fostering stronger, more empathetic communities; where programs like a free school breakfast, a more understanding faculty and school administrative staff, and other potential outcomes that would help leave students like Nayomi better off could be realized.

ENDNOTES

1. Jason A. Okonofua, Amanda D. Perez, and Sean Darling-Hammond, "When Policy and Psychology Meet: Mitigating the Consequences of Bias in Schools," Science Advances 6, no. 42 (2020): eaba9479, https://doi.org/10.1126/sciadv.aba9479.

2. Debby Damen, Monique MH Pollmann, and Teri-Louise Grassow, "The Benefits and Obstacles to Perspective Getting," Frontiers in Communication 6 (2021): 104, https://doi.org/10.3389/fcomm.2021.611187.

3. One example can be seen in Eyal and colleagues' series of experiments through Amazon Mechanical Turk. Eyal, Tal, Mary Steffel, and Nicholas Epley. "Perspective mistaking: Accurately understanding the mind of another requires getting perspective, not taking perspective." Journal of personality and social psychology 114, no. 4 (2018): 547.

4. One example can be seen in Broockman & Kalla's canvassing study to reduce transphobia. Broockman, David, and Joshua Kalla. "Durably reducing transphobia: A field experiment on door-to-door canvassing." Science 352, no. 6282 (2016): 220-224.

5. Adam D. Galinsky, William W. Maddux, Debra Gilin, and Judith B. White, "Why It Pays to Get Inside the Head of Your Opponent: The Differential Effects of Perspective Taking and Empathy in Negotiations," Psychological Science 19, no. 4 (2008): 378-384, https://doi.org/10.1111/j.1467-9280.2008.02096.x.

6. Adam D. Galinsky, William W. Maddux, Debra Gilin, and Judith B. White, "Why It Pays to Get Inside the Head of Your Opponent: The Differential Effects of Perspective Taking and Empathy in Negotiations," Psychological Science 19, no. 4 (2008): 378-384, https://doi.org/10.1111/j.1467-9280.2008.02096.x.

7. Nicole Audette, Jeremy Horowitz, and Kristin Michelitch, Personal Narratives Reduce Negative Attitudes Toward Refugees and Immigrant Outgroups: Evidence from Kenya, Working Paper 1-2020, Research Concentration: Media and Democratic Systems (Center for the Study of Democratic Institutions, 2020), https://www.vanderbilt.edu/csdi/includes/WP_1_2020_FINAL.pdf; Emile G. Bruneau and Rebecca Saxe, "The Power of Being Heard: The Benefits of 'Perspective-Giving' in the Context of Intergroup Conflict," Journal of Experimental Social Psychology 48, no. 4 (2012): 855-866, https://doi.org/10.1016/j.jesp.2012.02.017; Tal Eyal, Mary Steffel, and

Nicholas Epley, "Perspective Mistaking: Accurately Understanding the Mind of Another Requires Getting Perspective, not Taking Perspective," Journal of Personality and Social Psychology 114, no. 4 (2018): 547, https://psycnet.apa.org/doi/10.1037/pspa0000115; Haotian Zhou, Elizabeth A. Majka, and Nicholas Epley, "Inferring Perspective Versus Getting Perspective: Underestimating the Value of Being in Another Person's Shoes," Psychological Science 28, no. 4 (2017): 482-493, https://doi.org/10.1177%2F0956797616687124; Fernanda Herrera, Jeremy Bailenson, Erika Weisz, Elise Ogle, and Jamil Zaki, "Building Long-Term Empathy: A Large-Scale Comparison of Traditional and Virtual Reality Perspective-Taking," PloS One 13, no. 10 (2018): e0204494, https://doi.org/10.1371/journal.pone.0204494; Jeannie L. Skorinko, Sean Laurent, Kaitlin Bountress, Kyi Phyu Nyein, and Daniel Kuckuck, "Effects of Perspective Taking on Courtroom Decisions," Journal of Applied Social Psychology 44, no. 4 (2014): 303-318, https://psycnet.apa.org/doi/10.1111/jasp.12222; Janet K. Swim and Brittany Bloodhart, "Portraying the Perils to Polar Bears: The Role of Empathic and Objective Perspective-Taking toward Animals in Climate Change Communication," Environmental Communication 9, no. 4 (2015): 446-468, http://dx.doi.080/17524032.2014.987304?journalCode=renc20#.VPDO6fnF-Bp; Andrew R. Todd, Karlene Hanko, Adam D. Galinsky, and Thomas Mussweiler, "When Focusing on Differences Leads to Similar Perspectives," Psychological Science 22, no. 1 (2011): 134-141, https://doi.org/10.1177/0956797610392929.

8. Joshua L. Kalla and David E. Broockman, "Reducing Exclusionary Attitudes through Interpersonal Conversation: Evidence from Three Field Experiments," American Political Science Review 114, no. 2 (2020): 410-425, doi:10.1017/S0003055419000923; Jason A. Okonofua, David Paunesku, and Gregory M. Walton, "Brief Intervention to Encourage Empathic Discipline Cuts Suspension Rates in Half Among Adolescents," Proceedings of the National Academy of Sciences 113, no. 19 (2016): 5221-5226, https://doi.org/10.1073/pnas.1523698113; Okonofua, Perez, and Darling-Hammond, "When Policy and Psychology Meet."; Rezarta Bilali and Johanna Ray Vollhardt, "Priming Effects of a Reconciliation Radio Drama on Historical Perspective-Taking in the Aftermath of Mass Violence in Rwanda," Journal of Experimental Social Psychology 49, no. 1 (2013): 144-151, http://dx.doi.org/10.1016/j.jesp.2012.08.011; Michal Bilewicz, "Perspective Taking and Intergroup Helping Intentions: The Moderating Role of Power Relations 1," Journal

of Applied Social Psychology 39, no. 12 (2009): 2779–2786, https://psycnet.apa.org/doi/10.1111/j.1559-1816.2009.00548.x; Brian Drwecki, Colleen F. Moore, Sandra E. Ward, and Kenneth M. Prkachin, "Reducing Racial Disparities in Pain Treatment: The Role of Empathy and Perspective-Taking," Pain 152, no. 5 (2011): 1001–1006, https://doi.org/10.1016/j.pain.2010.12.005; Barbara C. N. Müller, Simone Kühn, Rick B. van Baaren, Ron Dotsch, Marcel Brass, and Ap Dijksterhuis. "Perspective Taking Eliminates Differences in Co-Representation of Out-Group Members' Actions," Experimental Brain Research 211, no. 3 (2011): 423–428, https://doi.org/10.1007/s00221-011-2654-7; Margaret Shih, Elsie Wang, Amy Trahan Bucher, Rebecca Stotzer. "Perspective Taking: Reducing Prejudice towards General Outgroups and Specific Individuals," Group Processes & Intergroup Relations 12, (2009): 565–577, https://doi.org/10.1177%2F1368430209337463; Gábor Simonovits, Gabor Kezdi, and Peter Kardos. "Seeing the World through the Other's Eye: An Online Intervention Reducing Ethnic Prejudice," American Political Science Review 112, no. 1 (2018): 186–193, doi:10.1017/S0003055417000478; Andrew R. Todd, Galen V. Bodenhausen, Jennifer A. Richeson, and Adam D. Galinsky, "Perspective Taking Combats Automatic Expressions Of Racial Bias," Journal of Personality and Social Psychology 100, no. 6 (2011): 1027, DOI: 10.1037/a0022308; Andrew R. Todd and Adam D. Galinsky, "Perspective-Taking as a Strategy for improving Intergroup Relations: Evidence, Mechanisms, and Qualifications," Social and Personality Psychology Compass 8, no. 7 (2014): 374–387, https://doi.org/10.1111/spc3.12116.

9. Stuart W. Cook, "8 - Cooperative Interaction in Multiethnic Contexts*," In Groups in Contact, pp. 155–185. Academic Press, 1984.

10. Nicholas Epley, Eugene M. Caruso, and Max H. Bazerman, "When Perspective Taking Increases Taking: Reactive Egoism in Social Interaction," Journal of Personality and Social Psychology 91, no. 5 (2006): 872, https://doi.org/10.1037/0022-3514.91.5.872; Eyal, Steffel, and Epley, "Perspective Mistaking"; Mark Tarrant, Raff Calitri, and Dale Weston, "Social Identification Structures the Effects of Perspective Taking," Psychological Science 23, no. 9 (2012): 973–978, https://doi.org/10.1177/0956797612441221.

11. Okonofua, Paunesku, and Walton, "Brief Intervention to Encourage Empathic Discipline."

12. In addition to hearing perspectives from students, teachers in the treatment condition were also encouraged to adopt an "empathic" mindset about discipline by reading materials that presented various reasons students might misbehave and encouraged teachers to understand and respect students' feelings. They also were encouraged to adopt the mindset that student behavior can improve if students feel cared about and respected.

13. Okonofua, Paunesku, and Walton, "Brief Intervention to Encourage Empathic Discipline."

14. Jessie Harney, "The Power of Empathy: Experimental Evidence of the Impact of Perspective-Focused Interventions on Support for Prison Reform," in Criminal Justice Policy Review. Forthcoming; Jerry Metcalf, "No, Your Coronavirus Quarantine Is Not Just Like Being in Prison," The Marshall Project, (2020). https://www.themarshallproject.org/2020/03/25/no-your-coronavirus-quarantine-is-not-just-like-being-in-prison.

15. Jessie Harney, "The Power of Empathy: Experimental Evidence of the Impact of Perspective-Focused Interventions on Support for Prison Reform," in Criminal Justice Policy Review. Forthcoming.

16. Matsusaka, John G., and Nolan M. McCarty. "Political Resource Allocation: Benefits and Costs of Voter Initiatives," Journal of Law, Economics, and Organization 17, no. 2 (2001): 413–448. https://www.jstor.org/stable/3554934.

17. Okonofua, Perez, and Darling-Hammond, "When Policy and Psychology Meet."

18. Cook, "Cooperative Interaction."

19. Kalla, Joshua L., and David E. Broockman. "Which Narrative Strategies Durably Reduce Prejudice? Evidence from Field and Survey Experiments Supporting the Efficacy of Perspective-Getting." American

Journal of Political Science (2021).

20. Tarrant, Calitri, and Weston, "Social Identification Structures."21. Epley, Caruso, and Bazerman, "When Perspective Taking Increases Taking."

22. Adam D. Galinsky, Joe C. Magee, M. Ena Inesi, and Deborah H. Gruenfeld, "Power and Perspectives Not Taken," Psychological Science 17, no. 12 (2006): 1068–1074, https://doi.org/10.1111%2Fj.1467-9280.2006.01824.x.

23. Belle Rose Ragins and Kyle Ehrhardt, "Gaining Perspective: The Impact Of Close Cross-Race Friendships on Diversity Training and Education," Journal of Applied Psychology 106, no. 6 (2021): 856, https://psycnet.apa.org/doi/10.1037/apl0000807.

CORPORATE CONSOLIDATION IN RURAL AMERICA: WHY IT MATTERS AND WHAT WE CAN DO ABOUT IT

by: Sage Lawrence

CORPORATE CONSOLIDATION IN RURAL AMERICA: WHY IT MATTERS AND WHAT WE CAN DO ABOUT IT

SAGE LAWRENCE

Edited by: Maygol Kabiri, Jaemie Anne Abad, Sonia Schrager, and Shingis Kudaibergen

Guest Editors: Garret Dellwo

Rural communities throughout the U.S. are struggling economically due to diminished economic activity and declining population levels as wealth and human capital are extracted from their local economies and concentrated in metropolitan areas. At the same time, growing levels of corporate consolidation in the U.S. accelerate the rate at which financial resources are extracted from these communities, as powerful companies use their size to suppress wages and stifle competition. The effects of increasing market concentration in the form of both monopolies and labor monopsonies pose a serious threat in rural areas, where geographic isolation and limited demand often create the conditions for highly concentrated markets to form. These trends worsen the existing gap in incomes between rural and urban areas that are a primary driver of outmigration and limit small business development critical to local economic activity. This report proposes several policy tools that together would address the suppression of workers' wages and limited competition exacerbated by corporate consolidation. These solutions include implementing the following: 1) a high, non-regionally adjusted, minimum wage, 2) competitive labor standards that hold larger businesses in more concentrated labor markets to higher labor standards, and 3) competitive corporate taxation that would tax large companies operating in highly concentrated markets and return the revenue to local governments. Lawmakers need to combat the harmful effects of market concentration and champion efforts to address rural wealth extraction in order to help combat rising racial resentment and improve standards of living for the millions of Americans in rural places.

THE EXTRACTION OF WEALTH FROM RURAL AREAS

Across the U.S., rural communities are struggling with economic stagnation and outmigration as wealth and human capital are extracted from these local economies and concentrated in metropolitan (metro) areas. Communities that supply the natural resources our country depends on and stewards our wildlands continue to see their human capital siphoned off into cities. While young adults have for centuries left rural communities in search of more eco-nomic opportunities in urban areas, 2010 to 2016 marked the first time in American history that the total population living in rural counties decreased.[1] This trend is driven by stalling rural birthrates that historically made up for the loss of residents to metro areas and rising mortality rates.[2] And residents that do leave are more likely to be well educated, taking with them valuable human capital and leadership capabilities.[3]

The siphoning off of resources also includes financial wealth that is extracted from rural towns. As corporations sell goods and services in these towns, profits from their sales leave the community and are redistributed to boardrooms and shareholders who predominantly live in urban centers where wealth continues to concentrate.[4] Over time, this extraction of wealth takes capital out of local communities, financially starving businesses and the residents who stay. This leads to a further loss in population and tax revenue that fuels a vicious cycle downward.[5] The economic stagnation many rural communities face was worsened by the Great Recession, as many rural areas saw a slow recovery in employment and limited gains in entrepreneurship (see Figure 1). *In fact, the percent change in new businesses from 2010 to 2016 in non-metropolitan counties was almost zero, while more than doubling in metropolitan areas.*[6] The resulting lack of investment and diminishing tax base often result in poor access to essential services, such as internet and transportation infrastructure.[7]

> Communities that supply the natural resources our country depends on and stewards our wildlands continue to see their human capital siphoned off into cities.

This problem is typified by poor access to healthcare in many rural communities. According to the Center for Health Services Research at the University of North Carolina, Chapel Hill, rural communities in the U.S. saw 80 hospitals close because of population decline, more elderly patients, and rising costs, and another roughly 700 hospitals are vulnerable to shutting.[8] These closures not only impact residents who already face significantly higher rates of illness and are much more likely to die from potentially preventable diseases (see Figure 3) but can also wreak havoc on the local economy given the importance of hospitals as major employers.[9] These trends were further exposed during the COVID-19 pandemic, as infection rates and deaths were higher in rural areas, and the economic effects were more pronounced.[10]

IMPACTS OF CORPORATE CONSOLIDATION

Increasing corporate consolidation is accelerating the rate at which financial resources are extracted from rural communities by suppressing wages for workers and limiting competition. Poor economic conditions and local wealth extraction are not recent phenomena in rural areas, but the rise in mergers and acquisitions documented in many industries in the U.S. is intensifying the effects.[11] The trend toward fewer and more powerful companies has caused deleterious effects across our economy.[12] Rural areas are especially prone to the effects of market concentration on competition and pricing, as there is often only enough demand to support a few companies in any particular industry. These dominant firms hold significant sway over prices, allowing them to extract excessive profits.

According to the Federal Reserve Bank of Richmond, "population growth" and "productivity growth" are the two essential components of sparking economic growth and raising the standard of living in rural areas.[13] This report, therefore, focuses on

the effects of market concentration on factors that affect population growth (namely lower wages in rural areas) and productivity growth (specifically, increasing economic activity and new business formation that drives productivity). Furthermore, this report uses the terms monopoly and monopsony to describe not only instances where a single company dominates an industry but also when cartels of a few companies (typically two to four) control the lion's share of the market and use their size to stifle competition or manipulate prices.

> According to the Federal Reserve Bank of Richmond, "population growth" and "productivity growth" are the two essential components of sparking economic growth and raising the standard of living in rural areas.

RURAL MONOPSONY

Labor monopsonies, where workers can only choose from a few employers to work for, pose a serious threat in rural areas, where lower earnings relative to urban areas are a primary driver of outmigration. These concentrated labor markets negatively affect workers, as the dominant firms hold sway over levels of compensation, allowing them to suppress wages below the market level.[14] According to the U.S. Census Bureau, median incomes in rural counties are on average 25 percent lower than incomes in urban areas.[15] This gap has worsened since the Great Recession, as employment rates in non-metro counties are still below pre-2007 levels (see Figure 1). While many factors contribute to this gap, including lower costs of living and average levels of education, labor market concentration plays an important role.[16] Researchers measuring the impacts of market concentration on

earnings found that labor markets classified as highly concentrated (with a Herfindahl-Hirschman Index score above 2500) are correlated with lower wages and that workers in rural areas are much more likely to be located in these highly concentrated commuting zones (see Figure 2).[17] These effects may be quite large, with one study finding that moving from a market in the 25th percentile of concentration to the 75th percentile is associated with a 17 percent decline in advertised wages.[18] Researchers also found that the negative wage effects from labor monopsonies are felt across occupational skill levels.[19] This second finding is notable because the rural-urban income gap becomes more pronounced the greater an individual's educational attainment is.[20]

In addition to facing higher degrees of market concentration because of their physical isolation, rural workers are disproportionately employed in sectors that have experienced increased corporate consolidation.[21] This includes education, health and social services (22.3 percent of rural workers), manufacturing (13.8 percent), retail (11.9 percent), and agriculture and natural resources extraction (5.5 percent), all industries that employ a larger percentage of the workforce in rural areas and have experienced significant consolidation. Within the agricultural sector, meat processing is particularly consolidated, with four companies controlling 85 percent of the national beef market and 66 percent of hog sales in 2015.[22]

CASE STUDY ON THE RETAIL SECTOR

Nationally, retail stores have experienced significant corporate consolidation, and employees in the retail industry, which employs 11.9 percent of all rural workers, now face fewer options to choose from, and firms face fewer incentives to raise wages.[23] Retail companies continue to consolidate as fewer corporations make up a larger share of the market, and individual retail companies expand horizontally to control a growing share of all retail sales (e.g., Target not only controlling clothing sales in a locality but a growing share of food sales).[24] Looking at the employment effects, researchers found that the presence of the retail giant, Walmart, correlated with up to a 5 percent decrease in wages in rural areas while having almost no effect in urban areas.[25] One explanation for the limited impact on urban wages is that while corporate consolidation has increased concentration in the retail market nationally, the remaining larger firms continue to face competition between each other in metropolitan markets. However, in rural communities with only enough demand to support one, or a few, store(s), local concentration is higher.

> This consolidation fuels the extraction of wealth from rural communities as dollars that would be spent at locally or regionally owned stores instead flow to a small number of national companies and siphon profits out of our rural economies.

RURAL MONOPOLY

Corporate consolidation has also led to an increase in monopoly power within many rural markets that stifles competition and limits small business development, impacting local business owners and rural

consumers. Across the U.S. economy, gross profits of the top 200 companies increased from about 13 percent of total national profits to 29 percent from 1950 to 2008.[26] This consolidation fuels the extraction of wealth from rural communities as dollars that would be spent at locally or regionally owned stores instead flow to a small number of national companies and siphon profits out of our rural economies. These large companies disproportionately crowd out new small businesses in rural areas that help to spur innovation and job creation, making it harder for rural residents to build wealth and circulate it locally.

IMPACTS ON COMPETITION

If monopsony power helps explain the gap in rural-urban wages that is driving the rural population decline, monopoly power partially explains why so many rural communities are struggling to increase their economic productivity. Large companies that control a growing share of the local markets suck up the limited oxygen in rural communities, making it harder for small businesses to form and succeed.[27] New businesses are further excluded when dominant firms use dubious legal challenges and other anti-competitive practices to quell competition. As with employment, rural areas with finite demand can only support a limited number of businesses, and, therefore, face highly concentrated markets for many products.[28] The high degree of market concentration in rural America is increasingly curbing

potential innovation and job creation associated with new and small businesses.[29] *While 20 percent of new businesses in the U.S. were launched in non-metro areas in the late 1970s, that number has fallen to 12 percent in 2014, a rate that was too low to offset the number of rural businesses that closed.*[30] Further, the start-up rate of new businesses in non-metro areas was only three-quarters of the national rate. These trends further limit productive growth and fuel economic decline in rural America.

CASE STUDY ON THE RETAIL SECTOR

The rise in market concentration within the retail sector is primarily driven by the horizontal expansion of existing firms into other markets, and as a result, fewer stores now control the sales of more goods and services. The impact in rural towns is often that many locally owned shops within the community have been replaced by a few megastores. In fact, researchers found that this horizontal expansion explains about 99 percent of the rise in national concentration from 1992 to 2012.[31] The increasing size and market share of these companies crowd out small businesses, making it harder for new businesses to form.

IMPACTS TO CONSUMERS

As the U.S has experienced greater consolidation, monopolies in many markets have the potential to raise prices for consumers, and evidence suggests companies in concentrated industries abuse their power to raise prices across geographic regions.[32] While this effect on retail and other sales is important for regulators to consider, it may not be as significant of a factor in explaining rural economic stagnation, as these areas continue to enjoy notably lower costs of living and suffer instead from a lack of human and financial capital, rather than excessively high retail prices.[33]

HOW TO ADDRESS THE EXTRACTION OF RURAL WEALTH

Legislators must stem the flow of resources and capital out of rural communities by seeking to address the suppression of workers' wages and limited competition, exacerbated by corporate consolidation. As entrepreneur Nick Hanauer put it, "It's not corporate size that we mean to rein in, but the economic exploitation, concentration, and extraction that tends to come with it."[34] While antitrust enforcement is a critical tool to break up excessively large companies engaged in anticompetitive practices, the overall trend toward market consolidation in the U.S. is unlikely to go away.[35] The isolation that defines rural areas and predisposes communities to high market concentration indicates that other approaches are necessary to reverse the extraction of rural wealth. Rural communities in the U.S. face a host of issues that are driving stagnation and outmigration, and there is much work to be done in areas such as education policy, healthcare reform, and infrastructure development that are essential to reimagining what rural communities look like in the twenty-first century.[36]

To add to this conversation, this report highlights several policy solutions that address the effects of market concentration on rural economies, and in particular, the impacts on wage suppression and limited competition. While consolidation has spurred other harms including excessively high rates for consumers and low prices for small-scale producers, limited competition has an especially pernicious effect on the ability of rural economies to generate economic growth, and wage suppression is a driving factor in rural population decline. The following policy solutions of a high, non-regionally adjusted minimum wage, competitive labor standards, and a competitive corporate taxation scheme focus on promoting fair competition and wealth creation in rural America.

ADDRESSING LABOR MONOPSONY

HIGH, NON-REGIONALLY ADJUSTED MINIMUM WAGE

The rural-urban wage gap is a primary driver of outmigration in rural areas and implementing a high, non-regionally adjusted minimum wage is critical to closing this gap. To account for the higher cost of living in large cities, some states have adopted regionally adjusted minimum wage laws that allow employers to pay less in more remote areas of the state.[37] However, this approach may actually negatively impact rural areas by worsening the outmigration that stems from the rural-urban wage gap and failing to address the downward pressure on rural wages caused by labor monopsony.[38] Instead, federal lawmakers should pass a high, non-regionally adjusted minimum wage to accomplish these goals:

1. Combat wage suppression driven by monopsony power to help raise earnings for rural workers in low-wage sectors.
Despite concerns around negative employment effects, a growing body of evidence suggests that minimum wage increases have minimal, if any, negative effects on employment while raising wages for many at the bottom of the income distribution.[39] Research suggests that minimum wage increases in low-wage counties, which rural areas often are, saw greater increases in wages as well as reductions in household and childhood poverty.[40] A high minimum wage is critical to combat the downward pressure on wages documented in highly concentrated rural labor markets. Further, a high minimum wage that creates a floor for all workers would inject much needed capital into these communities, returning a portion of wealth that is currently siphoned off in the form of excess corporate profits.

2. Help close the rural-urban wage gap in low-wage sectors that is driving rural residents out of their communities.
Evidence from California's recent minimum wage increase to $15/hour suggests that rural areas may have the most to benefit from higher minimum wages. The three industries most affected by the state's new minimum wage employ a greater proportion of the rural workforce than these industries do nationally, with 16 percent of retail workers, 15 percent of food service workers, and 8 percent of healthcare workers seeing a raise after the law was passed.[41] In contrast, a regionally adjusted minimum wage would accelerate rural out migration and center lower-wage work in rural areas.[42]

3. Return a portion of wealth that is currently siphoned off in the form of excess corporate profits to rural communities in the form of wages.
Rural economies need more wealth in circulation to stimulate economic activity, and a high minimum wage that creates a floor for all workers would also inject much needed capital into these communities.

COMPETITIVE LABOR STANDARDS

Competitive labor standards (CLSs) that hold larger businesses in more concentrated

labor markets to higher labor standards are an important policy tool to further address the rural-urban wage gap experienced at all educational attainment levels, including middle-income salaried workers.[43] Implementation could take different forms, but classifying companies by both size and level of market concentration is likely the most effective way to ensure rural workers are compensated fairly. Under this system, labor standards would be tiered, with companies classified based on the number of employees and the degree of concentration in a commuting zone as categorized by the Herfindahl-Hirschman Index.[44] Employers' labor standards would increase as a proportion above existing labor laws with small companies in unconcentrated markets held to existing federal, state, and local levels and large corporations operating in very highly concentrated commuting zones held to the highest standards. While CLSs could extend to cover various requirements for employers, higher minimum wages and increased salary thresholds for mandatory overtime pay should each be included to help rural workers combat wage suppression at all income levels and increase competition in the local economy.[45] Federal lawmakers should enact CLSs that would help to accomplish the following:

1. Combat lower wages experienced in highly concentrated markets.
The minimum wage and mandatory overtime pay are important tools to address the negative effects on pay that workers in highly concentrated markets experience as a result of monopsony power. CLSs recognize the downward pressure on wages and require large companies who are operating in concentrated markets to compensate workers fairly.

2. Help address the urban-rural wage gap that affects workers across all earnings levels.
Raising the earnings threshold above which salaried workers do not qualify for mandatory overtime pay would raise wages for many workers who currently work more than 40 hours a week, but are not compensated with overtime pay.[46] Federal labor law allows companies to not pay workers overtime for work over 40 hours a week if a worker earns a salary of $35,568 or more (~$17/hour).[47] This results in higher educated, middle-management leadership often being overworked and under compensated in noncompetitive markets, such as rural areas.[48] In effect, this means a company can hire two salaried workers and have them work 60 hours per week without overtime, instead of hiring three employees working 40 hours a week to do the same amount of work.[49] Requiring larger, more concentrated employers to pay middle-income workers overtime would both raise the workers' income levels and increase the number of middle-class jobs in rural areas, as companies would hire additional employees to limit the costs of overtime pay.

> Competitive labor standards (CLSs) that hold larger businesses in more concentrated labor markets to higher labor standards are an important policy tool to further address the rural-urban wage gap experienced at all educational attainment levels, including middle-income salaried workers.

3. Divert wealth currently extracted from rural workers back into the economy, increasing the buying power of rural residents and promoting economic growth. As with a high minimum wage, CLSs would help return income that is currently leaving these communities in the form of excessive corporate profits to workers in the community by addressing those in middle-income positions who are currently not fairly compensated.

POTENTIAL CONCERNS: CLSS COULD LEAD TO LOWER STANDARDS AT SMALLER COMPANIES.

Notably, the federal minimum wage has often left many workers out, particularly Black, Indigenous, and people of color workers who were intentionally excluded from early minimum wage laws and continue to be omitted through loopholes like the tipped worker penalty.[50] It is essential that CLSs do not allow labor standards to dip for small businesses, but rather all workers are provided a baseline of compensation through a high federal minimum wage and other labor standards and that CLSs then expand upon these standards for large employers and businesses in concentrated markets. One step to keep labor standards from lagging is to design CLSs as varying percentages above existing labor standards (e.g., companies with 1000 employees or more in very highly concentrated zones must pay a minimum wage of 125 percent of the federal minimum wage).

> Higher minimum wages and increased salary thresholds for mandatory overtime pay should each be included to help rural workers combat wage suppression

ADDRESSING POTENTIAL CONCERNS: CLSS COULD NEGATIVELY IMPACT SMALL BUSINESSES BY PUSHING WORKERS TO WORK AT LARGE COMPANIES.

The concern that CLSs will force smaller businesses to raise their wages to retain workers is valid and needs to be taken into consideration. Depending on how they are enacted, large portions of the workforce would not be affected by CLSs, as small businesses employ about 47 percent of the U.S. workforce. However, given that CLSs will leave a significant portion of the workforce unaffected and that higher paid workers, essential to innovation at small businesses are likely to be unaffected by labor standards associated with CLSs, small businesses are unlikely to have to match compensation levels at their larger counterparts dollar-for-dollar. Wages at small businesses may increase some, but would likely be lower than those at larger competitors still allowing them to enjoy comparatively lower labor costs. Additionally, it is worth noting that existing loopholes in the minimum wage, including those for tipped workers, some farmworkers, and family members, result in many workers making less than the minimum wage.[51] An alternate approach is to raise labor standards for all companies and provide smaller employers with grants or tax breaks to cover the additional labor costs. However, this tactic fails to address the unique challenges rural areas with only a few large employers face and requires consistent subsidization from the government.

ADDRESSING POTENTIAL CONCERNS: COMPANIES WILL PASS COSTS ON TO CONSUMERS OR CLOSE DOWN.

If these commuting zones are, as research suggests, experiencing monopsony prices, then employers' control over the labor market allows them to raise prices above the fair market price, and raising wages closer to the market equilibrium level will only cut into these companies' excessive profits.[52] However, the effects of CLSs should be studied before being federally implemented. One method of testing this approach may be to assess California's phasing in of the minimum wage, which allows businesses with less than 26 employees an extra year to reach the state's new $15 per hour minimum wage.[53] While this phase-in time is temporary and only targets size and not market concentration, it may reveal how differences in employment costs based on firm size impact competition.

ADDRESSING RURAL MONOPOLY

COMPETITIVE CORPORATE TAXATION

To further spur competition in rural communities, the federal government should impose a tax on large, national companies operating in highly concentrated markets and return the tax revenue to county governments where monopolists operate. This approach, described in this report as competitive corporate taxation (CCT), would levy a tax on large companies in highly and very highly concentrated counties (as classified by the Herfindahl-Hirschman Index). The revenue from this tax would then be sent to the county in the form of a grant, reserved for local infrastructure spending, such as critical investments in technological connectivity, schools, and hospitals. In part, this proposal revives previous rural community funds generated by taxation of mineral and timber sales, which have been removed under new laws.[54] Implementation of CCT could take various forms, including imposing something like an additional businesses and occupations tax on companies above a certain size in these markets or directly taxing sales or profits made by these companies in concentrated markets.[55] Federal lawmakers should enact a CCT scheme that would promote growth in rural areas:

1. Distribute wealth back to rural communities that is currently extracted as corporate profits in the highly concentrated markets.
CCT would help communities win back the cream that is currently skimmed off by monopolies, limiting the seep of money out of rural areas by taxing away excess profits that companies currently enjoy.

CCT serves to curb the effects of corporate consolidation and horizontal expansion that worsen rural wealth extraction by returning tax revenue to the local government for investments in local infrastructure. By providing counties in concentrated markets with additional tax revenue, communities would be able to invest in areas like education and healthcare that improve the

> Combating corporate consolidation in rural areas is essential to not only improve the quality of life for the many Americans who live in non-urban areas, but also to tackle the underlying causes of economic decline that help fuel racial resentment.

quality of life in rural areas and help to attract new residents.[56]

2. Recognize that rural areas continue to enjoy relatively low costs of living, but face a lack of available capital for community investment.
While rural consumers may face higher costs as a result of market concentration that allows sellers to raise prices artificially, most rural residents still enjoy low costs of living.[57] CCT is an appropriate intervention as the tax scheme focuses less on trying to lower modestly higher costs and instead focuses on retrieving the profits that large companies are extracting from the local economy. CCT could be a critical tool for increasing investment and new business formation in rural communities, the absence of which is helping to drive rural decline.[58]

ADDRESSING POTENTIAL CONCERNS: COMPANIES WILL PASS COSTS ONTO CONSUMERS OR CLOSE DOWN.

If, as research suggests, large companies in these settings are using their size to raise prices above fair market levels, taxing these monopolies will simply keep them from enjoying excessive profits.[59] As an example, let us imagine that in a rural town, the equilibrium price for a can of paint is $20 in a competitive market, but Home Depot is using its monopoly power to charge $25. The company will continue to sell the good even if a $5 tax is imposed on them for selling the paint, as selling it will yield more value (the profits associated with selling the can at $20 that other firms enjoy in competitive markets) than not selling it at all. Furthermore, Home Depot will not want to pass all of the $5 tax on to consumers, as doing so would raise the price to $30, at which fewer people will buy the paint. While consumers in the market still see a $25 can of paint, the $5 in profits has shifted away from the shareholders of Home Depot and toward the local government. Research should, of course, be conducted to determine what the effects of CCT would be on the economy, and what the appropriate rate is for a tax on large companies in concentrated markets to avoid the closure of large businesses that provide essential services in rural communities.

ADDITIONAL POLICY TOOLS

While not the focus of this report, the following tools should also play an important role in curbing rural wealth extraction.

1. Antitrust Law: Despite the erosion of their enforcement, antitrust laws are still the first line of defense to checking excessive market concentration. Regulators must prosecute companies who employ illegal practices to undermine their competitors and use their existing authority to block mergers that harm competition. Antitrust legal doctrine must also be modernized and regulators should look beyond consumer welfare when considering antitrust enforcement.[60]

2. Regulatory Reforms: Lawmakers and federal regulators should outlaw corporate policies that increase friction in the labor market, including unnecessary non-competes and non-poaching agreements.

3. Pro-Union Laws: Illegal union busting tactics commonly used by large corporations must be prosecuted more forcefully, and policymakers should make it easier for workers to form unions and collectively bargain.[61]

4. Promoting Cooperatives: Buyer- and seller-owned cooperatives are an underutilized tool to increase competition and provide rural residents with fair prices. This

business model is used to a limited extent in industries where consumers and small-scale producers face monopolies or monopsonies, such as farming, logging, banking, and retail.[62] Structured as not-for-profit businesses that are collectively owned by the consumers or sellers, cooperatives provide useful services to rural communities while removing the incentives to extract profits that are baked into for-profit companies. Methods of promoting rural cooperatives include: 1) public incentives such as grants, loans, and tax incentives,[63] 2) publicly chartering public service cooperatives, like the Bank of North Dakota, or 3) buying regional monopolies or monopsonies and converting them to buyer- or seller-owned cooperatives.

WHY WE MUST ACT

Rural communities across the U.S. struggle with diminishing economic activity and population loss, and corporate consolidation is accelerating the rate at which wealth is extracted from these areas by suppressing workers' wages and stifling competition. These trends worsen the existing rural-urban wage gap that is a primary driver of outmigration and limit new business development that is critical to economic productivity. As Democratic lawmakers have failed to enact policies that would reverse the decline of rural communities, Republican representatives from these districts increasingly blame people of color and immigrants for poor economic conditions, fueling a rise

in racially motivated violence[64]. Democrats must offer an alternative narrative for rural communities, and it starts with advancing policies that address the impacts of market concentration and developing a compelling vision for twenty-first century rural America. Combating corporate consolidation in rural areas is essential to not only improve the quality of life for the many Americans who live in non-urban areas, but also to tackle the underlying causes of economic decline that help fuel racial resentment.

Legislators can, and must, stem the flow of capital out of rural communities by addressing the suppression of workers' wages and limited competition exacerbated by corporate consolidation. The implementation of a high, non-regionally adjusted minimum wage, CLSs, and a CCT scheme would help directly raise wages and promote new business formation in our rural economies. In conjunction with robust antitrust enforcement, regulatory reforms, pro-union laws, and the promotion of cooperatives, these policies can address the deleterious effects of market concentration on our local economies. At this critical moment in history, Democratic lawmakers should champion efforts to curb rural wealth extraction, in order to combat rising racial resentment and improve the lives of rural Americans who help supply our nation with the food and natural resources we all depend on.
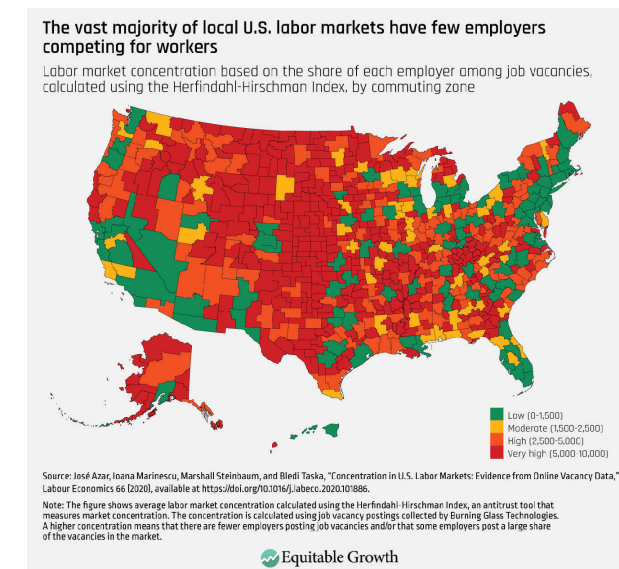
FIGURES

Figure 1
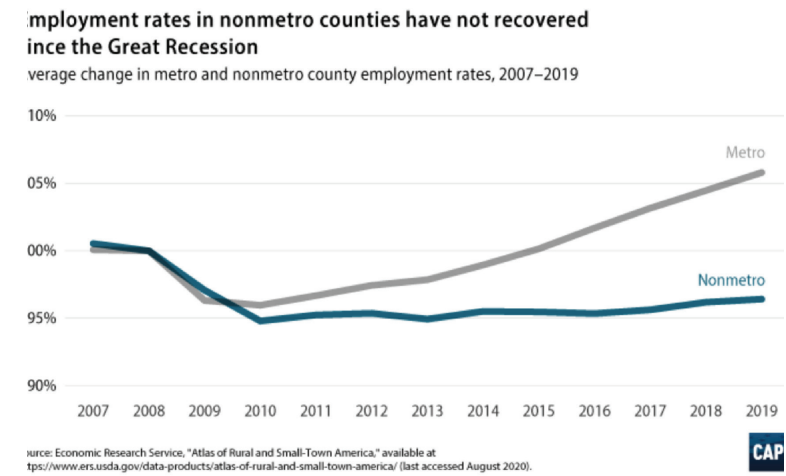
Source: Olugbenga Ajilore and Caius Z. Willingham, "The Path to Rural Resilience in America," Center for American Progress, 2020,
https://www.americanprogress.org/issues/economy/reports/2020/09/21/490411/path-rural-resilience-amer

Figure 2

Source: Ioana Marinescu, "Boosting Wages When US Labor Markets Are Not Competitive," Washington: Washington Center for Equitable Growth, 2021,
https://equitablegrowth.org/boosting-wages-when-u-s-labor-markets-are-not-competitive/.

Figure 3

Deaths per 100,000 from Cancer for Metro and Nonmetro Counties, 2006-2015

Source: National Center for Health Statistics, 2006-2015.

Source: "Rural Health Disparities" Rural Health Information Hub, 2020, https://www.ruralhealthinfo.org/topics/rural-health-disparities.

ENDNOTES

1. Alexander Marré, "Rural Population Loss and Strategies for Recovery," Federal Reserve Bank of Richmond, 2020, https://www.richmondfed.org/publications/research/econ_focus/2020/q1/district_digest; John Cromartie, Rural America at a Glance, No 1476–2017–5675, (United States Department of Agriculture Economic Research Service, 2017), https://www.ers.usda.gov/webdocs/publications/85740/eib182_brochure%20format.pdf?v=217.

2. Marré, "Rural Population Loss and Strategies for Recovery."

3. Georgeanne Artz, Rural Area Brain Drain: Is It a Reality? (Iowa State University Extension and Outreach Publications, 2003). https://lib.dr.iastate.edu/cgi/viewcontent.cgi?article=1090&context=extension_pubs

4. Nick Hanauer, "Progressive Labor Standards," Democracy Journal, no. 51 (Winter, 2019), https://democracyjournal.org/magazine/51/progressive-labor-standards/

5. John W. Lettieri, "U.S. Senate Committee on Small Business in Rural America," Economic Innovation Group, 2017,

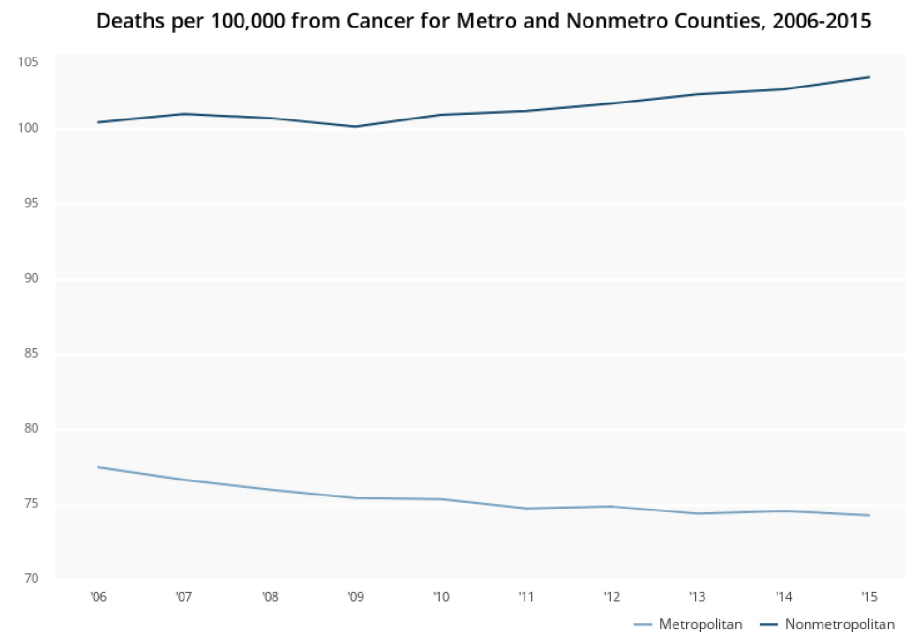https://eig.org/news/u-s-senate-committee-small-business-entrepreneurship-hearing-challenges-opportunities-runnin g-small-business-rural-america-2; Olugbenga Ajilore and Caius Z. Willingham, "The Path to Rural Resilience in America," Center for American Progress, 2020,

https://www.americanprogress.org/issues/economy/reports/2020/09/21/490411/path-rural-resilience-america/

6. Lettieri, "U.S. Senate Committee on Small Business in Rural America."

7   Linda Poon, "There Are Far More Americans Without Broadband Access than Previously Thought," Bloomberg News, 2020, https://www.bloomberg.com/news/articles/2020-02-19/where-the-u-s-underestimates-the-digital-divide

8. Elizabeth Zach, "Death by a Thousand Cuts: Rural Health Care in Decline," Center for Health in Journalism, 2017, https://centerforhealthjournalism.org/fellowships/projects/death-thousand-cuts-rural-healthcare-decline

9. "Rural Health Disparities" Rural Health Information Hub, 2020, https://www.ruralhealthinfo.org/topics/rural-health-disparities

10. Ajilore and Willingham, "The Path to Rural Resilience in America."

11. Hanauer, "Progressive Labor Standards."

12. Dynamism in Retreat: Consequences for Regions, Markets, and Workers, (Economic Innovation Group, 2017), https://eig.org/wp-content/uploads/2017/02/Dynamism-in-Retreat.pdf.

13. Marré, "Rural Population Loss and Strategies for Recovery."

14. Jose Azar, et al., "Concentration in US Labor Markets: Evidence from Online Vacancy Data," Labour Economics, 2020, https://ideas.repec.org/a/eee/labeco/v66y2020ics0927537120300907.html; Kevin Rinz, Labor Market Concentration, Earnings, and Inequality, (The Journal of Human Resources, 2020), http://jhr.uwpress.org/content/early/2020/05/04/jhr.monopsony.1218-9914R1.full.pdf+html.

15. "Atlas of Rural and Small-Town America," United States Department of Agriculture Economic Research Service, 2020. https://www.ers.usda.gov/data-products/atlas-of-rural-and-small-town-america/.

16. dyadmin"Explaining the Gap in Pay between Rural and Urban Work," Daily Yonder, 2008, https://dailyyonder.com/explaining-gap-pay-between-rural-and-urban-work/2008/03/03/.

17. Azar, et al., "Concentration in US Labor Markets."

18. Rinz, Labor Market Concentration, Earnings, and Inequality.

19. Azar, et al., "Concentration in US Labor Markets."

20. dyadmin "Explaining the Gap in Pay Between Rural and Urban Work."

21. "Rural Economies and Industry," Housing Assistance Council, 2012, https://ruralhome.org/rrn-rural-econ-ind/; Collins, "Is Manufacturing Industry Consolidation Stifling Competition and Innovation?" Industry Week, June 3, 2015, https://www.industryweek.com/the-economy/competitiveness/article/21966091/is-manufacturing-industry-consolidation-stifling-competition-and-innovation; Kevin Rinz, "Labor Market Concentration, Earnings, and Inequality."

22. Sharon Anglin Treat, "Revisiting Crisis by Design: Corporate Concentration in Agriculture," Institute for Agriculture & Trade Policy, 2020, https://www.iatp.org/documents/revisiting-crisis-design-corporate-concentration-agriculture.

23. "Rural Economies and Industry," Housing Assistance Council.

24. Dominic Smith and Sergio Ocampo, The Evolution of U.S. Retail Concentration, U.S. Department of Labor, U.S. Bureau of Labor Statistics, 2021, https://www.bls.gov/osmr/research-papers/2020/pdf/ec200080.pdf.

25. Alessandro Bonanno and Rigoberto Lopez, "Wal-Mart's Monopsony Power in Local Labor Markets," American Agricultural Economics Association 2008 Annual Meeting, July 27–29, 2008, https://ideas.repec.org/p/ags/aaea08/6219.html

26. Collins, "Is Manufacturing Industry Consolidation Stifling Competition."

27. Alan Meese, "Monopolization, Exclusion, and the Theory of the Firm," College of William & Mary Law School Scholarship Repository, Faculty Publication, 2005, https://scholarship.law.wm.edu/cgi/viewcontent.cgi?article=1071&context=facpubs

28. Smith and Ocampo, "The Evolution of U.S. Retail Concentration."

29. Lettieri, "U.S. Senate Committee on Small Business in Rural America."

30. "Dynamism in Retreat: Consequences for Regions, Markets, and Workers."

31. Smith and Ocampo, "The Evolution of U.S. Retail Concentration."

32. Ufuk Akcigit and Sina T. Ates, "Ten Facts on Declining Business Dynamism and Lessons from Endogenous Growth," American Economic Journal: Macroeconomics 13, no. 1 (January 2021), https://www.aeaweb.org/articles?id=10.1257/mac.20180449.

33. James A. Kurre, "Is The Cost Of Living Less In Rural Areas?" International Regional Science Review 26, no. 1 (January 1, 2003), https://doi.org/10.1177/0160017602238987.

34. Hanauer, "Progressive Labor Standards."

35. K. Sabeel Rahman, "Infrastructural Regulation and the New Utilities," Yale Journal on Regulation, 2018, https://digitalcommons.law.yale.edu/cgi/viewcontent.cgi?article=1529&context=yjreg

36. Lettieri, "U.S. Senate Committee on Small Business in Rural America."

37. "New York State's Minimum Wage," New York State, 2021, https://www.ny.gov/new-york-states-minimum-wage/new-york-states-minimum-wage; Oregon Bureau of Labor & Industries," Minimum Wage Increase Schedule: Oregon's minimum wage rates go up on July 1 each year through 2022," 2021, https://www.oregon.gov/boli/workers/Pages/minimum-wage-schedule.aspx

38. "The Federal Minimum Wage should be a Robust National Wage Floor, Not Adjusted Region by Region," Economic Policy Institute, 2019, https://www.epi.org/publication/the-federal-minimum-wage-should-be-a-robust-national-wage-floor/.

39. Arindrajit Dube, Impacts of Minimum Wages: Review of the International Evidence, (University of Massachusetts Amherst, National Bureau of Economic Research, and IZA Institute of Labor Economics, 2019), https://www.gov.uk/government/publications/impacts-of-minimum-wages-review-of-the-international-evidence

40. Anna Godoey and Michael Reich, "Are Minimum Wage Effects Greater in Low-Wage Areas?" Industrial Relations: A Journal of Economy and Society 60, no. 1,(2021), http://dx.doi.org/10.1111/irel.12267.

41. Ken Jacobs and Ian Perry, "$15 Minimum Wage in California," UC Berkeley Labor Center, 2016, https://laborcenter.berkeley.edu/15-minimum-wage-in-california/; "Rural Economies and Industry," Housing Assistance Council.

42. Gail Wadsworth, Differential Minimum Wage: Urban vs Rural, (California Institute for Rural Studies, 2016), https://www.academia.edu/26091153/Differential_Minimum_Wage_Urban_vs_Rural.

43. The term "Progressive Labor Standards" has also been used to describe this policy tool. However, 'competitive' may just as well describe the policy and is better suited to build support among residents in rural areas.

44. Hanauer, "Progressive Labor Standards."

45. Hanauer, "Progressive Labor Standards."

46. Ross Eisenbrey, "Raising the Overtime Salary Threshold Is an Important Improvement in Working Families' Labor Standards," Economic Policy Institute, 2015, https://www.epi.org/publication/raising-the-overtime-salary-threshold-is-an-important-improvement-in-working-families-labor-standards/.

47. "U.S. Department of Labor Issues Final Overtime Rule," US Department of Labor, 2019, https://www.dol.gov/newsroom/releases/whd/whd20190924.

48. The current minimum salary threshold may rise, but CLSs could still require an even higher minimum salary threshold in concentrated markets.

49. Nick Hanauer and Andrew Yang, "Andrew Yang Interviews Nick!" Pitchfork Economics, 2021, https://pitchforkeconomics.com/episode/andrew-yang-interviews-nick/.

50   "Ellora Derenoncourt and Claire Montialoux, Minimum Wages and Racial Inequality, (Quarterly Journal of Economics, 2020), https://www.clairemontialoux.com/files/DM2020.pdf.

51. "Questions and Answers about the Minimum Wage," US Department of Labor, 2021, https://www.dol.gov/agencies/whd/minimum-wage/faq.

52. Azar, et al., "Concentration in US labor markets."

53. "Questions and Answers about the Minimum Wage," US Department of Labor.

54. Tony Schick, Rob Davis, and Lylla Younes, "Big Money Bought Oregon's Forests. Small Timber Communities Are Paying the Price," OPB, 2020, https://www.opb.org/news/article/oregon-investigation-timber-logging-forests-policy-taxes-spotted-owl/.

55. "Business & Occupation Tax," Washington State, Department of Revenue, 2021, https://dor.wa.gov/taxes-rates/business-occupation-tax.

56. Marré, "Rural Population Loss and Strategies for Recovery."

57. Kurre, "Is The Cost Of Living Less In Rural Areas?"

58. Marré, "Rural Population Loss and Strategies for Recovery."

59. Guido Ascari, et al., "Taxing a Monopoly," Research in Economics, 2005, https://www.sciencedirect.com /science/article/abs/pii/S1090944305000426

60. Lina Khan, "The End of Antitrust History Revisited," Harvard Law Review, 2020, https://harvardlawreview.org/2020/03/the-end-of-antitrust-history-revisited/

61. Zoe Willingham and Olugbenga Ajilore, "The Modern Company Town," Center for American Progress, 2019, https://www.americanprogress.org/issues/economy/reports/2019/09/10/474336/modern-company-town/.

62. Brett Theodos, et al., Co-ops Matter: ABCs of Cooperative Impact, (Urban Institute, 2018), https://ncbaclusa.coop/content/uploads/2019/02/ABCs-of-Co-op-Impact.pdf.

63. Stacy Mitchell, "Public Banks: Bank of North Dakota," Institute for Local Self-Reliance, n.d. https://ilsr.org/rule/bank-of-north-dakota-2/.

64. Hannah Allam, "FBI Report: Bias-Motivated Killings at Record High amid Nationwide Rise in Hate Crime," NPR, 2020, https://www.npr.org/2020/11/16/935439777/fbi-report-bias-motivated-killings-at-record-high-amid-nationwide-rise-in-hate-c; Willis Patenaude III, "Modern American Populism: Analyzing the Economics Behind the 'Silent Majority,' the Tea Party, and Trumpism," American Journal of Economics and Sociology 78, no.3 (2019), https://onlinelibrary.wiley.com/doi/10.1111/ajes.12281.

BERKELEY PUBLIC POLICY JOURNAL (BPPJ) AND STUDENTS OF COLOR IN PUBLIC POLICY (SCIPP) A CONVERSATION WITH AMARPREET KAUR AND MANDIP BAGRI OF DIVERSITY IN PUBLIC POLICY (DIPP)

BERKELEY PUBLIC POLICY JOURNAL (BPPJ) AND STUDENTS OF COLOR IN PUBLIC POLICY (SCIPP) A CONVERSATION WITH AMARPREET KAUR AND MANDIP BAGRI OF DIVERSITY IN PUBLIC POLICY (DIPP)

Editors: Katherine Cohn and Shay Verger

Jaemie (SCiPP):

Hello, my name is Jaemie. I am a first-year dual MPP/MPH.[1] I am a member of BPPJ and the SCiPP Advocacy Committee. It's a pleasure to meet with you.

Michelle (BPPJ):

My name is Michelle. I'm a first-year MPP, and I use she/her pronouns.

Amarpreet (DiPP):

I can go ahead and introduce myself. My name is Amarpreet. I am a fifth-year un–dergraduate student at Berkeley, studying social welfare with a minor in public pol-icy. And I'm the founder and president of DiPP.

Mandip (DiPP):

My name is Mandip. I'm a fourth-year studying political science and public policy at Berkeley. And I am one of the events and outreach co-chairs for DiPP

Jaemie (SCiPP):

Please tell us about your students' or-ganization Diversity in Public Policy (a.k.a. DiPP). Who are your members? What is your mission? And what are your goals and priorities?

Amarpreet:

Our mission is to foster a community of support for undergraduate students of col-or interested in pursuing either a career in public policy or graduate studies in public policy. Raising awareness of our existence is one of the first steps to success as a new organization.

Jaemie:

Could you also tell us about your mem-bership? How big are you? And what are your goals as a student organization, especially because you're still new?

Amarpreet:

We have a LISTSERV of more than 100 students, and it's growing. Our LISTSERV consists of anyone who has demonstrated interest in being a part of DiPP, signing up either for emails to follow our updates or to participate as a more active member. Our events are open to everyone on our LISTSERV.

We have about 20 to 30 active members who regularly attend our meetings. Our events have a larger turnout with people that aren't necessarily active members, but who have heard about the events, either because they're in the public policy minor or because they've been connected to our LISTSERV through word of mouth.

In terms of our goals and priorities, given that UC Berkeley's Goldman School of Public Policy (GSPP) is a heavily White-dominated space, a lot of GSPP's resources go to White students. Our goal is to divert those resources and make sure that students of color are getting them as well.

> Berkeley has so much at its disposal, but if you're a first-generation student, or a low-income student, for example, you might not know about support systems that are right in front of you. Our organization definitely aims to connect students to resources.

We're currently in the process of strengthening our ties with GSPP. I recently had a meeting with GSPP's Assistant Dean Annie Campbell Washington, and I will have a meeting with Dean David C. Wilson soon, as well, to discuss how GSPP can support DiPP. Having worked in policy for about four years, this semester I've been leveraging my own resources and connections for the students of the organization. But, next semester, we will have access to more through GSPP —

to the alumni network, the career services, and admissions officers, etc.

Oftentimes, there are many resources, but marginalized students just don't know about them. I think that's even true at UC Berkeley itself. Berkeley has so much at its disposal, but if you're a first-generation student, or a low-income student, for example, you might not know about support systems that are right in front of you. Our organization definitely aims to connect students to resources.

Michelle:

Thank you. Is there anything further from Mandip?

Mandip:

As for events and outreach, one of our priorities is to make sure that the events that we produce cater to the interests of the people within our organization. Policy is such a huge field, and a lot of people don't know how overarching it really is. We recently [held] the Careers in Policy event, and we had people from public policy in different levels of government, from NGOs, working for tech companies, and nonprofits. It's really important to make sure people are aware of [the expanse of opportunities available to them in policy].

Jaemie:

Do you have any further examples of what kind of resources you're trying to pursue — if it's similar or different?

Amarpreet: First, we are trying to get more access to alumni and professionals who work in the field. Second, we are pursuing mentorship opportunities. We are establishing mentorship and interview programs to jumpstart next semester. Finally, we try to inform our members of scholarships and fellowships through a newsletter with upcoming opportunities and what the deadlines are.

> We're the only student organization that supports undergraduate students of color in public policy.

Michelle:

What are DiPP's successes and achievements? And what challenges does DiPP face?

Amarpreet:

A really big success is just that our organization exists. As I mentioned, I've been around policy for the past four years. Whenever an undergraduate that's interested in policy who has some type of diverse identity tells a professor, "Hey, I'm interested in public policy," the professor is probably going to tell you one thing, and it's, "Have you heard of PPIA?"

Editor's note: PPIA stands for the Public Policy and International Affairs organization. It holds five junior summer institutes across the nation. One of them is at UC Berkeley, called the PPIA Junior Summer Institute at UC Berkeley. It is a seven-week intensive program focused on building analytical and quantitative skills in order to prepare students for graduate work in public policy, international affairs, and law. It aims to elevate students and the needs of historically under-served communities.

Public Policy and International Affairs' programs are extremely comprehensive, and PPIA is one of the only organizations offering programs for undergraduate students of color or marginalized students interested in public policy. I'm a PPIA alum. I did the PPIA Junior [Summer] Institute at Carnegie Mellon University. The program is amazing and beautiful for undergraduate students of color in policy, but it's a very narrow, albeit deep, pipeline. It's a really, really competitive program. It's super selective, and not many people get in. Those who do get in get access to all these resources. But most people don't get in, and they aren't tapped into that pipeline. These people are looking for support from organizations like DiPP. We're the only student organization that supports undergraduate students of color in public policy. And if we don't help, what happens to them? [My concern over the lack of support for those people who don't get into PPIA . . .] was the motivation for starting DiPP at Berkeley's campus.

I have a lot of peer undergraduates across the nation who are interested in policy and policy work. Having spoken to most of them, I can't think of any other campus that has an undergraduate club like this that's catered to undergraduate students of color interested in policy. Our existence in itself is one of the biggest successes in Berkeley — [before DiPP].

It is surprising that nothing like this existed at Berkeley before DiPP — at Berkeley, one of the most progressive universities, one of the most liberal universities in the nation. You would think, at least, Berkeley would have an organization like this. Otherwise, I'm fairly confident most of the universities don't. So, the fact that it's even being started is a great success in itself. I do have opportunities available to start chapters at other campuses across the nation and make this bigger than just Berkeley because it's not just a Berkeley issue, it's a nationwide issue: the lack of resources for undergraduate students of color. But, for now, I'm focused on DiPP.

Other small achievements — we jump-started in the middle of this semester, during the pandemic, and we were able to pull off one large-scale event relatively last minute. That's a big accomplishment.

One of our challenges is that there are a lot of people who wanted to be part of the organization even though they are not students of color. I did get a few emails saying, "Hey, I'm not a student of color. But I'm a first-generation student. And I'd still like to join." There were some people who were not people of color at all, but they still joined. One of my challenges as a president was deciding where I draw the line. Do I tell them they can't be part of this organization? Or am I doing an injustice by denying resources to someone who wants resources? And that's still a challenge. We had to figure out what to do about students who are not the target audience but are still in the space. They are taking up space in a field where they already have plenty of space. So that is definitely one of the challenges. Ultimately, we decided we will only accept students who identify as people of color. But, it was a difficult decision.

Also, getting our organization institutionalized, there are many professors who are super excited about it, but we want to make sure that this organization doesn't live and die with us. We want DiPP to continue for many years to come. That's something that we're trying to work through right now by building roots with GSPP.

Mandip:

One of the biggest successes I've seen with DiPP is just how it's created space for undergrads and helped people realize that policy is an avenue you can pursue. I have run into a lot of people also minoring in policy, and they're interested in policy as a career or further education choice. There just was never a space for us as undergraduates to say, "Well, how can I make change in public policy as a person of color? How do I make that a reality?" It's really cool that this is something people see they are actually able to pursue. That's one of the biggest successes of the organization.

> We want to make sure that this organization doesn't live and die with us.

Jaemie:

Amarpreet mentioned that one of the successes for DiPP was holding an official event. Could you tell me a little bit more about what the event was? And why or how do you consider it a success and what was the impact of it?

Amarpreet:

It was a "Careers in Policy" event. Together with Mandip and Jolene, the other Events and Outreach chair, we put it together in less than two weeks. I invited people that I already knew who worked in the [public policy] space to join a panel and discuss their careers in policy. We pursued a diverse panel of people who work in public policy in local and federal government at a private company and a nonprofit. We had four people on the panel. We had Josephine Hahn, a senior analyst at the Brennan Center for Justice. We had Shereda Nosakhare, chief of staff for the mayor of Oakland. We had Justine Lazaro, who is in the United States Government Accountability Office, and Shannon Zhang, a policy specialist at Google.

Jaemie:

What was the lasting impact that this event had on your members and your organization?

Mandip:

We got so much interest in this panel that we had to turn people away. We hope to turn it into a recurring event, and have panels throughout next semester, so there will be opportunities for everyone to attend at least one event. It's a great way to expose people in our organization to the variety of careers, potential further education, and other avenues one can take in policy. The events help attendees create personal connections with the panelists, talk with people through email, listen, and ask questions, exchange contact info. My network has expanded as a result of the event, and a lot of other people in our organization also felt that.

Amarpreet:

The policy field is still so White and male-dominated, and the panelists were able to be very candid about their experiences. They were all women of color. Questions that might not usually be asked were asked, such as, "What is it like to be a person of color in a primarily White-dominated space?" The panelists gave candid responses that maybe some people didn't want to hear, but anyone entering these policy spaces should know. Hearing their responses had a big impact on me and other people as well.

Michelle:

Why is diversity important in public policy?

Amarpreet:

Throughout history and even today, some of the worst policy decisions have been made by people that have no proximity to the issues. The effects of those poor policy decisions linger for decades, and it's marginalized communities, low-income communities of color, that tend to overwhelmingly bear those negative effects. That's why it's really important for people that have personal experiences to be at the forefront of making those decisions; people with lived experiences talking to legislators or being legislators themselves, making sure their communities are being uplifted and not marginalized.

I am a first-generation college student, and I'm a low-income student. One of my most salient identities is my ethnic background. I'm Punjabi Sikh; that's an ethnic religion. We make up 0.1% of the U.S.

population. There have been many policies that have negatively impacted my community, and there's not much representation, if any, of Sikhs in government and politics. At the congressional level, there is a Sikh Congressional Caucus, but not a single Sikh person that sits on that caucus, which I think is absolutely flabbergasting.

One of the leaders of the Sikh Congressional Caucus refused to acknowledge the Sikh genocide committed by the Indian government.[2] This is one of the most traumatizing and important events that the Sikh community faced. The leader stated that any matters dealing with the Indian government shall be dealt with by the Indian Caucus. However, because the Indian Caucus has opposite interests than that of the Sikh Congressional Caucus, the Indian Caucus has never and will never recognize that the Sikh genocide ever even happened.

That's a prime example of poor policy decisions being made by people with no proximity to the issue. And hearing things like that is definitely a big motivation for me to pursue policy — to make sure my community is being represented, and to do my part by learning about other communities. I can do my part to uplift those communities, and make sure that even if I don't share personal experiences of certain identities, I make sure people from those communities are at the forefront and that their voices are being heard.

> I can do my part to uplift those communities, and make sure that even if I don't share personal experiences of certain identities, I make sure people from those communities are at the forefront and that their voices are being heard.

Diversity in public policy is incredibly important. That's why our organization exists. There's been increasing support for diversity at the graduate level for policy, but not at the undergraduate level. A lot of undergraduates want to participate in making positive changes in society decide to be pre-law because they don't know that policy exists. Once they learn about policy, a lot of them realize policy is their true passion. That happened to me. Policy is exactly what I'd like to do. But, it's still uncommon for undergraduates to learn about policy as an option because there is not that much support for diverse students at the undergraduate level. It is important to start the resource pipeline as early as possible. The pipeline is primarily started at the graduate level, but the goal for DiPP is to start that pipeline even earlier.

Michelle:

As a member of DiPP, what have you personally gained?

Mandip

DiPP has helped expand my own network with peers, other undergraduates, as well as people at Goldman and people that already have careers in policy. It has helped me solidify what I want to do in the future. After I graduate, I would like to apply to an MPP program. Before DiPP, I didn't know how to do that.

Michelle:

What does the future hold for DiPP? And what do you see for the next wave of DiPP students?

Amarpreet:

I hope that DiPP grows bigger and bigger. I hope that eventually every student of color who is a public policy minor joins DiPP and knows about it as a resource. I hope students join because there are resources we are able to leverage. I hope that students see that there are resources available to take them really far. We've been deprived for so long. Now we finally have access. I feel like DiPP has a lot of prospects to grow really big, even to other universities across the nation. I'm not exactly sure what the future holds, but the future looks very promising.

> We've been deprived for so long. Now we finally have access.

Mandip:

A lot of our board is fourth years, but interest in this organization has been so huge;

it has taken off so quickly within the last few months after being established, so I foresee that leadership will continue on even after we're gone. I do think that DiPP has a promising future. Hopefully, we can recruit people that are younger, who can foster the organization throughout their years at Berkeley as undergrads, and keep the organization going.

Jaemie:

How can other students join your organization? Who is eligible? Or if they wanted to join your mailing list or follow you on social media, how would they do that? How can people be more involved in what you're doing?

Amarpreet:

We have a LISTSERV that students can join. We plan to have social media by spring semester 2022. If you would like to join, send an email to diversityinpublicpolicy@gmail.com.

ENDNOTES

1. Master's in Public Policy/Master's in Public Health

2. https://bera.house.gov/media-center/amis-updates/rep-bera-statement-on-november-1984-anti-sikh-violence-in-india, https://www.sacbee.com/news/local/article2610882.html

NOTES