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Democracy isn't dying in darkness, it's being murdered in broad daylight.
Dear CRC Members and Supporters,

The labor and entrepreneurship of Black, Indigenous, and People of Color (BIPOC) have built wealth for the western U.S., including California, for generations. Yet systems of oppression and racism continue to extract wealth from BIPOC communities and exclude us from building wealth for ourselves, while directing state violence toward our communities.

As the California Reinvestment Coalition (CRC) launches our new strategic plan, in response to a Black-led struggle for survival and liberation in the form of the Movement for Black Lives, the U.S. is facing a reckoning with the racism built into the DNA of its institutions.

Meanwhile, immigrants are facing detention and deportation and are being killed at the border by the same racist system that killed George Floyd and Breonna Taylor. And Black and Brown people are more likely to be infected by and die from COVID-19 than white people. This is not an accident. It is a result of institutional and structural racism built into all levels of government, as well as the financial and corporate institutions it seeks to protect and advance.

CRC maintains that it is no longer enough to just address issues of “equity”. We must talk about disrupting anti-Blackness, dismantling white supremacy, and we must work to redistribute wealth.

CRC, through our new strategic plan, envisions a future where we reimagine systems of capital; where capital centers the needs of BIPOC first and foremost; and where we move from an economy based on extractive profit-taking to an economy centered on people-driven investment. In that new economy, Black, Indigenous, and other communities of color are not only at the center of that investment, but are also the drivers and decision-makers of that investment.

We are calling on California to invest in BIPOC communities as we look toward a COVID-19 recovery: to defund police and build new systems that reinvest in building resiliency and make our communities whole.

In Solidarity,

Paulina Gonzalez-Brito
Executive Director
CRC’s Promise
Dismantling White Supremacy

CRC is making a deliberate shift in language. We will be using the term BIPOC, an acronym for Black, Indigenous, and People of Color, which has long been championed by the BIPOC Project. This term is meant to unite all People of Color in the fight for liberation, but also to center the unique relationship that Black (African-American) and Indigenous people have to whiteness and white supremacy in the U.S. In this case, Indigenous includes the indigenous peoples of the Americas, including those who have migrated to the U.S. to escape poverty and war, often funded and perpetuated by U.S. imperialist interests.

Crisis Are Not Great Equalizers

California is home to the largest, most diverse population in the country. It is the birthplace of the Black Panthers, the United Farm Workers, the Chicano Moratorium, and the Asian American Political Alliance. It also bore witness to historic struggles by the American Indian Movement and struggles for immigrant rights, LGBTQ rights, and the rights of people with disabilities. All of these civil rights struggles taught us that the most marginalized must be centered in order to achieve social and economic equality.

So why is California’s economy grounded in a financial system that is in direct opposition to the values of most of the people who live and work in our state? The COVID-19 pandemic has made it clear that our economy is not working for most of us, especially people in our communities who provide the essential services and labor that so many of us rely upon.
For California to fully emerge from the health and economic impacts of the COVID-19 economic and public health crises, relief and recovery efforts must be combined with fundamental structural changes that shift power to people and communities, so that capital is redistributed equitably and economic decisions are made democratically.

Crisis are not great equalizers; rather, they lay bare racial inequities and uncover deep structural flaws in social and economic systems. Although COVID-19 is the latest example, we have seen other crises have similar results: from Hurricane Katrina in New Orleans, to Hurricane Sandy in New Jersey, to wildfires throughout California. The climate crisis is here, and its large-scale impacts will rival—if not surpass—the those of COVID-19’s labor market dislocations, housing crisis, and health impacts.

A Spring 2020 study by Unidos en Salud of 4,100 people in the San Francisco Mission District, a predominantly Latinx community, found that almost all of those who tested positive for COVID-19—95%—were Latinx. But only 44% of those tested were Latinx, while 38% were white.

Latinx people make up 39% of Californians, but account for 57% of COVID-19 cases and 46% of deaths. Among 18-64 year olds, Latinx people account for 68% of the deaths.1 Black Californians account for 6% of the state’s population, 7% of the state’s COVID-19 cases and 12% of COVID-related deaths.2

CRC is re-imagining an economy that addresses structural racism at its core, working to dismantle the disparities inherent in our financial systems that have extracted wealth from BIPOC communities for generations. As we look toward the next five years, our coalition is poised to ensure that power shifts away from the powerful interest of Wall Street to working families who drive our state’s diverse economy.

* Luis Granados
CRC Board Chair,
CEO of Mission Economic Development Agency

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While COVID-19 is killing Black and Brown people at alarmingly higher rates, devastating families and communities, the economic impacts of the pandemic are also being felt disproportionately in these same communities. Putting Black and Brown workers at higher risk for infection and job loss, they are over-represented in most "essential" industries.

Amongst immigrants the situation is most dire. Between Feb. 15 and April 18, nearly one in three non-citizen working women lost their jobs. In total, one in four non-citizen workers in California have lost jobs during the pandemic, or an estimated 688,000 workers. The researchers estimate that about 42% of those are undocumented.  

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Gloria Bruce  
CRC Board Member,  
Executive Director, East Bay Housing Organizations

3 https://calmatters.org/economy/2020/05/pandemic-immigrant-women-unemployment-job-loss/
OUR STRATEGY: BUILDING A MOVEMENT ECOLOGY

To create lasting change and to reach scale, we need to look at an ecosystem that supports the types of structural changes needed to match the scale of the current crisis. As the world responds, there are many campaigns, movements, communities, and institutions that are trying to make change. As the largest reinvestment coalition in the country, CRC is focusing on three distinct but complementary broad aspects of the ecosystem:

1. ORGANIZING FOR POWER
2. SYSTEMS CHANGE
3. DIRECT SERVICE COORDINATION

Our 300 members include CDFIs, housing counselors, affordable housing providers, tenants’ rights organizations, small business technical assistance providers, multi-service agencies, and other community-serving organizations. Leveraging this network of “financial first responders” who work directly with impacted communities in hard-to-reach urban and rural communities is critical to crafting an appropriate response.

Through the months-long strategic planning process, these member organizations raised several key issues that we plan to address together:

- Access to capital is paramount, the financial system is changing, and community-serving capital is not flowing to our communities.
- Capital needs to be centered and driven by BIPOC and low-income communities. Currently, communities have very little say about how capital is allocated.
- Racial equity and justice are high-priority overarching issue areas.
- California communities are becoming more vulnerable to disruptions caused by climate change: wildfires, drought, floods, and the rising costs of utilities. Displacement caused by the loss of housing stock, small businesses, and jobs is heavily affecting immigrants, migrant workers, renters, and the homeless population.

CRC is building a powerful movement for economic justice, focused on knocking down the historical barriers Blacks, Latinos, and other people of color have faced to building generational wealth. Through a powerful combination of community organizing, systems change, and its diverse membership, CRC has the right formula to win against powerful interests.

• Tate Hill
  Executive Director, Access+Capital

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4 This term and concept is adapted from the work of Ayni Institute. [https://ayni.institute/movementecology/](https://ayni.institute/movementecology/)
Reimagining Capital in California 2020-2025
Expanding Public and Private Investment to Meet Community Needs

Result 1
Wealth is redistributed so that BIPOC and working class people have generational wealth and economic power.

Description of Need
Systemic inequality in this country is most evident in the unequal distribution of wealth. Despite Black and Brown communities being key generators of economic output, they retain less wealth than white people, and the disparities will only continue to grow without transformative intervention by both the public and private sectors.

Description of Strategies
CRC will focus our work on structural reforms with the goal of harm reduction and reparations for BIPOC communities. The focus will be on wealth generation through reparations and subsidy programs at scale, by the public and private sectors, to compensate for the historical harm done by corporations and financial institutions via redlining and discriminatory practices. The strategies will ensure that the COVID-19 recovery and the green economy benefits those who are more impacted.

Strategy 1
Expand the scale and ambition of public and private investments that build community resiliency and wealth for Black, Indigenous, and People of color (BIPOC) communities.

Strategy 2
Disrupt anti-Blackness, combat generations of systemic racial injustice, and build economic resiliency for emerging climate disasters by ensuring that BIPOC are the primary beneficiaries of economic recovery efforts from COVID-19.

Strategy 3
Ensure that BIPOC will be the primary beneficiaries of a green economy and work to reduce the impacts of climate change on hardest-hit communities.
RESULT 2
Community-serving capital builds an alternative to the extraction economy so that BIPOC and working class families have long-term economic security.

Description of Need
Financial institutions are motivated first and foremost by profits and shareholder return. They extract wealth from the earth, workers, and communities without regard to how their decisions impact the well-being of BIPOC communities or the sustainability of these choices. The extraction economy has created the growing racial wealth gap, economic inequality, and the housing crisis.

Description of Strategies
CRC will focus our efforts on not only ending predatory practices that extract wealth from our communities, but also building and supporting new economic models that center the needs and voices of communities in decision-making. This includes alternatives such as public banks, as a means to ensure that public dollars are used for the greater good and generate capital for historically marginalized communities. Investing public money back into communities will advance the economic well-being and development of communities that have historically not benefited from profit-first models.

STRATEGY 1
End predatory banking and financial practices (e.g., redlining) by supporting alternative and democratic banking models and by ensuring financial institutions offer safe and affordable financial products to BIPOC.

STRATEGY 2
Promote affordable rental housing and homeownership opportunities by promoting community ownership and ending displacement of BIPOC and low-income people by banks, private equity, and Wall Street firms.
RESULT 3

Californians are organized and mobilized to advocate for an equitable economy in which power shifts from Wall Street to BIPOC.

Description of Need
CRC has 300 organizational members serving tens of thousands of clients from low-income communities and BIPOC communities in rural, urban, and coastal communities across the state. Our members include CDFIs, housing counselors, financial counselors, tenants’ rights organizations, legal service providers, small business technical assistance providers, and more. Community power in Sacramento and Washington, DC is essential to crafting and driving community-led solutions that leverage capital to close the racial wealth gap, end the extraction economy, and build new economic models.

Description of Strategies
CRC is invested in leadership development and member engagement strategies that develop the capacity of our member organizations and their clients and constituents to advocate for community-led solutions to the challenges of growing economic inequality.

STRATEGY 1
Develop the capacity of our members to advocate for community-driven solutions to the challenges of income inequality and the racial wealth gap.

STRATEGY 2
Engage our members’ clients and partners in meaningful participation that assures BIPOC are involved in the decision-making process.
RESULT 4

CRC is healthy and growing so that it effectively challenges and reverses growing economic inequality.

Description of Need
CRC was founded over 30 years ago, and is growing and adapting to be responsive to a changing financial landscape and capital environment in which communities are facing extreme pressures from growing inequality. CRC has gone from a staff of six to a staff of nine in the last four years, and has opened an office in Southern California. With this growth, CRC needs an increased budget to meet the changing needs of our communities.

Description of Strategies
CRC’s focus will be on growing our internal capacity to carry out the work that has been envisioned for the next five years.

STRATEGY 1
Recruit and retain diverse and talented staff members who reflect the demographics of the communities we serve and believe in our values and mission.

STRATEGY 2
Expand and diversify CRC’s funding sources to meet the needs of our growing mandate and budget.
About the California Reinvestment Coalition

With over 300 member organizations across California that provide services to low-income communities and BIPOC (Black, Indigenous, and People of Color) communities, CRC works to build a just and equitable economy. Founded in 1987, CRC advocates for bank and corporate investment, lending, and financial services that expand access to affordable housing, small business ownership, good jobs, and other resources that build household and community wealth.

The mission of the California Reinvestment Coalition is to build an inclusive and fair economy that meets the needs of BIPOC and low-income communities by ensuring that banks and other corporations invest and conduct business in our communities in a just and equitable manner.