

Local News
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New Washington business coalition sets \$2 billion goal for racial equity initiative

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As the uprising spurred by George Floyd's killing continues to reverberate, a new coalition of Washington business and philanthropy leaders says it aims to spend \$2 billion over the next five years to advance racial equity.

Nearly 60 executives have so far joined the group, [Washington Employers for Racial Equity](#), including the CEOs of some of the state's most prominent organizations, such as Microsoft, Nordstrom, Boeing, Costco, Windermere Services Co. and the Bill & Melinda Gates Foundation. (Seattle Times Publisher and CEO Frank Blethen is also a member.)

The coalition, announced Tuesday, arose in response to a report commissioned by two other business groups, [Challenge Seattle](#) and [Washington Roundtable](#), that compiled local and national statistics about how Black people fare at work and in many other aspects of life.

"A lot of stuff I read in it was right on," said Ollie Garrett, president and CEO of [Tabor 100](#), a Seattle-area group that promotes business development among Black residents. She said the report, which she previewed, also reflects "things we already know as African Americans."

It shows, for instance, a gap of 9 percentage points between Black and white people in the state's high school graduation rate, that Black people are six times more likely to be incarcerated than white people in Washington and that Black-owned businesses account for just 1% of the state's businesses overall, although 4.4% of the population identify as Black.

COVID-19 has made disparities worse, with unemployment among the state's Black workers increasing 220% since last year, compared to 95% among whites, and more than twice as many Black-owned businesses closing as white-owned, according to the report.

Familiar as some of these statistics were, former Gov. Chris Gregoire, who heads Challenge Seattle, said they "demonstrated the breadth and depth of the disparities ... like nothing any of us had seen before."

Exactly what the coalition will do about it remains to be seen. Members have signed a commitment to the collective \$2 billion goal and to working inside their own organizations, by achieving racial equity in pay and leadership, for example, and diversifying their contractors and suppliers.

Each company will decide on its own how to carry out those goals, how much money it will commit to the larger cause, and where it will be spent, Gregoire said.

Few have yet done so. One exception is Microsoft, which has already announced some steps. Over the summer, the company said it would [invest \\$150 million](#) in diversity and inclusion, and double the number of Black employees in leadership positions, the number of Black-owned businesses on its supplier list, and its percentage of transactions with Black-owned banks.

Pastor Carey G. Anderson of the First AME Church of Seattle, the oldest Black church in the state, said he was impressed by the coalition's \$2 billion goal, as he'd "yet to see anything close to that."

But Anderson also noted that many racial equity efforts in the past have failed, and he needed "to see something more than what's on paper." He declared himself hopeful, however, saying that Gregoire's involvement lent credibility to the effort.

Executives have a financial incentive to make it work, reasoned Craig Dawson, president and CEO of Retail Lockbox, a payment processing company that he said is one of only two Black-owned business members of the [Washington Roundtable](#).

"They don't want their businesses being ransacked by hostile crowds saying you're not doing enough for your community," Dawson said. And the ones that are making progress, he said, those are who today's consumers want to buy from.