Unearthing the Roots of Systemic Racism

By Felicia A. Henderson , Henderson Advising, and Zoe Kinias , INSEAD

Dislodging deep-seated racism will require a comprehensive long-term strategy on the part of leaders, organisations and business schools.

In May 2020, three seemingly isolated incidents in three different corners of the United States vividly stressed how racial bias, specifically anti-Black racism, remains an inescapable reality of daily life for African-Americans. These incidents were:

- the release of a video showing the February 2020 pursuit and killing in broad daylight of **Ahmaud Arbery**, an African-American jogger, by two armed white men who remained free months later in Georgia;
- the viral video of a white woman melodramatically executing her deliberate threat to call the police on **Christian Cooper**, an African-American man, who had asked that she leash her dog in an area of New York's Central Park where leashes were in fact required; and
- most notoriously, the prolonged asphyxiation and death of **George Floyd** as three Minneapolis police officers kneeled on his back and neck for nearly eight minutes as he pleaded for his life.

These events and innumerable others connect through an entrenched and pervasive system that perpetuates racial inequity, meaning unequal treatment and inequitable outcomes determined solely on the basis of race. Systemic racism is more than the conscious acts of overtly bigoted individuals; it is the enduring but often unrecognised structural and psychological legacy of state-sponsored and financially motivated subordination and marginalisation of people of a certain race.

A possible explanation for the global response to the killing of George Floyd and the Black Lives Matter movement is that the essence of systemic racism resonates in the experiences of people on every inhabited continent. In this article, we present the European and American historical foundations and the continuing consequences within the US system, which impacts global business through the influence of multinational corporations, education, entertainment and media. Recognising the existence and impacts of systemic racism is an essential first step for governments, business leaders and educators to dismantle it.

The European roots of anti-Black racism

The ignominious legacy of anti-Black racism traces back to 15th century Europe, the colonisation of the Americas and the trans-Atlantic slave trade. European investors seeking to maximise profits from the New World realised that European indentured servants would be insufficient for the labour-intensive agriculture deemed necessary to satisfy the growing European demand for cotton, tobacco, sugar and other products. Rather than offer adequate incentives to attract voluntary labourers, Europeans looked to Africa. Using goods manufactured in Europe as currency, Europeans purchased Africans to constitute an enslaved workforce for the Americas.

Reliable, yet incomplete estimates show **over 12.5 million human beings** were forced into the cargo holds of European ships in African ports for transport across the Atlantic. Approximately 10.7 million of these women and men survived the barbaric conditions of the Middle Passage and disembarked two to three months later in ports throughout the Americas as enslaved people in "**the largest long-distance coerced movement of people in history**."

The Triangular Trade that enriched Europe and fashioned the economies of the Americas included one leg that treated millions of people purchased mostly from the Bight of Benin, the Bight of Biafra and Central West Africa as

"goods" equivalent to harvested wheat or factory-made guns. To avoid the cognitive dissonance of subjecting fellow humans to the brutality of the Atlantic slave trade and generations of bondage in the Americas, European enslavers and thought leaders of that era deliberately conceived a belief system that systematically dehumanised Africans and "**organised the category of blackness as property value**".

Slave codes in the Americas reinforced the construction of whiteness as superior and of Blackness as not simply inferior but as inherently lacking personhood. A system of chattel slavery stripped enslaved persons of all legal rights, instead designating them and all future progeny as legal property. Evidence points to enslaved women of childbearing age being a particularly attractive "commodity" because of their ability to produce children born into slavery; enslaved women, often conceived through rape committed by white slaveholders, were utilised as domestic labour within homes, coerced into caretaking roles. Slave codes restricted or prohibited education, assembly, religious worship and travel of enslaved individuals in an attempt to prevent uprisings. These strict anti-rebellion laws also promoted the image of Blacks as dangerous.

The United States: shoring up the system

As the United States transitioned from colonial governance to self-rule, although the founders of the new nation boldly declared "all men are created equal", federal laws enshrined slaveholders' property rights. The notorious Fugitive Slave Acts (1793 and 1850) authorised the pursuit and capture of enslaved people who escaped to states where slavery had been abolished. These refugees continued to be considered as property and were returned to Southerners claiming ownership. Aiding refugees or failing to assist in their capture was itself punishable, and freeborn Blacks were often kidnapped and "returned" to slavery, as bounties incentivised seizure and Blackness itself became cause for suspicion.

Even as the morality of owning other humans began to be questioned, white abolitionists did not consistently challenge beliefs, laws and practices that reinforced the subjugation of Blacks. Following legal emancipation (1863) and amendments to the US Constitution to grant "full" citizenship and voting rights to African-American men (1865-1870), subsequent laws and practices reinforced social separation and reinstated the economic and political subordination of African-Americans. Criminal laws and exploitative economic

arrangements thwarted emancipation, creating a system dubbed *Slavery By Another Name*. Criminalisation of unemployment through vagrancy laws, racially biased enforcement and harsh prison terms for minor offences combined with "convict leasing" to again provide a coerced African-American labour force to private entities. Abusive sharecropping arrangements, involving exorbitant fees and interest, kept African-American families financially yoked to landowners. African-American labour went unacknowledged as it generated burdensome debt obligations rather than profits. Uncritical examination of these outcomes created and then reinforced associations of Blackness with criminality, indolence and poverty.

Beginning in the 1890s, Jim Crow laws enforced segregation in the southern states. Further, acts of racial violence against African-Americans, including **terror lynchings**, were often **financially motivated** and their horror intended to preserve the social order. The overwhelming majority of these acts went unpunished although the identity of the killers was often known. Much has been written about the web of American law and policy that has maintained systemic marginalisation and perpetuated anti-Black racism since the formal end of slavery, impacting every aspect of economic, social and political life, including housing, employment, financial services, education, criminal justice, medical care and voting. As this discriminatory system generates unequal outcomes for African-Americans, these negative outcomes reinforce existing biases and become the bedrock of additional assumptions about African-Americans. The system no longer requires formalised, explicitly racial laws to function.

Three questions for business leaders

Leaders can begin by asking the following questions of themselves and others in the organisation. This is a very partial list to start the journey; each organisation will encounter many more hard questions and difficult conversations along the way.

• What role do we play in maintaining the biases, both within our organisation and in society, that perpetuate unequal treatment of Black people? How can we interrupt and ultimately eliminate these biases?

• Have we established clear and tangible diversity, equity and inclusion objectives to promote and achieve equitable economic outcomes across racial groups?

• Do our systems help or hinder our efforts to attain these objectives? Where and why do we fall short?

Today's global legacy

Anti-Black stereotypes and associations have become so deeply entrenched in both the collective and individual psyche, even for those with no direct connection to the laws and policies of the United States, that the origins and truth of many of these beliefs remain unexamined while having tangible manifestations in international business. According to present-day research:

- Visual images of the faces of Black people are still **viewed as less human** than those of white people, which has implications for representation and inclusion in global organisations across national borders and industries;
- As compared to whites, Blacks continue to **draw more scrutiny** and their ambiguous behaviours are more likely to be interpreted as suspicious and threatening, which can impact interpersonal interactions, disciplinary outcomes and professional prospects in business contexts;
- African-Americans are still significantly more likely than whites to be **associated with 'poor'**, affecting attitudes about redistributive economic policies and perceived fit for jobs and other opportunities;

- Gendered expressions of racism can be particularly pernicious for Black women in professional contexts, where they continue to encounter attitudes and behaviours grounded in associations with **low-wage service roles** and face pressures to modify aspects of their being, including their appearance and emotional expression.

Taken together, these and countless other manifestations of bias reinforce and perpetuate the assumption that Blacks are less capable than others, and thus, in the collective minds of business leaders and society, that they matter less or not at all.

Understanding how deliberate choices to promote specific business interests created attitudes and beliefs that are frequently invisible and thus unexamined is a crucial step in noticing the systemic nature of racism and ultimately eradicating it. The conspicuousness of police killings of unarmed African-American men (and to a lesser degree **African-American women**) draws the spotlight to the United States, but anti-Black racism is not limited to that country. On 12 June 2020, more than 20 senior **United Nations** officials, all African or of African descent, published a statement calling on the UN to "act decisively to help end systemic racism against people of African descent".

Given the systemic foundations of inequity and injustice, systemic solutions are necessary. More bluntly, organisations must do more than provide unconscious bias training. They must recognise the roots of unequal outcomes so that they can develop and implement comprehensive strategies to achieve true systemic change. Business leaders have the power and responsibility to enact real interventions that can transform society. And, through their teaching and example, business schools have the obligation to educate truly reflective **change agents**.

The authors gratefully acknowledge **Lucy Quist***, author of the book* The Bold New Normal, *for her review of an advanced draft of this article.*

Find article at

https://knowledge.insead.edu/responsibility/unearthing-roots-systemic-racism

About the author(s)

Felicia A. Henderson (INSEAD EMCCC '17) is an independent leadership and equity, diversity and inclusion consultant. She is the founder of Henderson Advising and is a Lecturer at INSEAD, where she co-directs the Advancing Diversity and Inclusion programme.

Zoe Kinias was an Associate Professor of Organisational Behaviour at INSEAD and the founding Academic Director of INSEAD's **Gender Initiative**. She is the programme director for the **INSEAD Gender Diversity Programme**, an INSEAD Executive Education online programme.

About the series

Diversity, Equity and Inclusion

As society increasingly demands more inclusive leadership and culture, INSEAD is actively studying and engaging business leaders and practitioners on anti-racism, gender balance and other key topics related to creating fairer, more representative organisations. In this series, INSEAD faculty and their close collaborators with rich experience in practice give their insights and suggestions on how to develop diversity, equity and inclusion (DEI) in businesses and organisations.