# **Executive Network**

July 20, 2021



## **Equity in Disaster Recovery**

Facilitator: Brooks Nelson, Senior Manager for Disaster Preparedness and Response, Walmart.org

**Corporate profile**: What started small, with a single discount store and the simple idea of selling more for less, has grown over the last 50 years into the largest retailer in the world. Each week, approximately 220 million customers and members visit approximately 10,500 stores and clubs under 48 banners in 24 countries and eCommerce websites. With fiscal year 2021 revenue of \$559 billion, Walmart employs over 2.3 million associates worldwide.

**Portfolio**: Shared Value approach through four pillars:

- Creating Opportunity
- Advancing Sustainability
- Strengthening Communities
- Center for Racial Equity



## **Housing and Where Populations Live**

- Redlining resulted in a disproportionate exposure to environmental health hazards among communities of color
- A larger portion of a Black/Latinx homeowner's net worth is held in their home, so they have more to lose if disasters hit, e.g., home equity represents 40% of net worth for Whites and 56% for Blacks
- Hurricanes Harvey and Katrina are two stark examples:
  - 49% of Houston residents in the neighborhood worst hit by Harvey are people of color
  - The worst flood damage from Katrina was in zip codes that are 75+% Black



## **Pre- and Post-Disaster Challenges**

#### **Pre-Disaster Challenges**

- Lack of appropriate insurance
- Lack of guidance and transport for evacuation
- Challenges in acquiring shelter
- Barriers to receiving appropriate nutrition, medical care, and childcare and educational supports
- Deficiency in "rainy day" savings

#### **Post-Disaster Challenges**

- Lack financial resources to avail themselves of tax relief opportunities
- Rely more on public transportation that goes offline
- Live near environmental pollutant sources that are breached during disasters
- Schools with fewer resources to rebuild and provide the appropriate developmental and educational supports
- Homeowners vs. renters\*
- FEMA aid disproportionately impacts White communities vs. communities of color\*



\*Rice University, University of Pittsburgh, *Damages Done: The Longitudinal Impacts* of Natural Hazards on Wealth Inequality in the United States, 1999 to 2013.

## **Other considerations**

What are things you may not have thought of that create disproportionate impact during disasters?

First responders are not representative of their communities

Limited Access to Resource Centers, (e.g. water stations in parking lots)

Lack of natural/green infrastructure

Lack of access to internet

Disproportionate impact on women and the elderly



# Small group dialogue

The facilitator and reporter for your group is the person whose city will have the highest temperature today.

For the next 35 minutes in your small groups, please discuss:

- 1. How are you addressing social, economic, and environmental equity in your disaster response and prioritizing equity in disaster preparedness investments?
- 2. Given the challenges shown in the data, what are some ideas you might have in supporting under-resourced communities in the face of disaster?
- 3. What data do you need in order to identify barriers and/or think differently about as you develop your strategy for equitable preparedness and response?



## **Key Discussion Themes: Challenges**

### The urgency and confusion of crisis makes it more difficult to consider all of the issues of inequity at the time disaster strikes

- Speed and urgency to respond to a disaster from both senior leaders and employees overall, without fully understanding the needs or allowing time to vet partners.
- Balancing national or existing partners with the need for hyperlocal support.
- Can't partner with all the organizations or respond to all the requests so how to decide who to work with and when to respond is difficult.
- Determining if the organization should budget for disaster relief and prepay into partner funds, or reactively respond to disasters.
- Challenges in deciding if funding should come from the company or the foundation.
- Finding an organization that fits within a company's mission and is supporting disaster recovery.
- Nuances and processes of international giving for disaster recovery.



# **Key Discussion Themes: Ideas**

#### Proactively develop strategies before disaster hits

- Determine vulnerable communities by mapping environmental justice issues in footprint communities.
- Build relationships (pre-disaster) across the company so data needed to respond to disasters that exists within other parts of the company is accessible when needed.

#### Help unlock state and federal dollars for underrepresented communities

- Work with partners to build capacity in local communities to apply for FEMA funding.
- Consider funding a portion of the FEMA match.

#### Work with first responders

• Understand unconscious bias. Consider funding equity training for first responders.

#### **Build on existing partnerships**

- Talk with partners to ensure equity serving underrepresented populations - is part of their approach. Develop a set of questions that address equity to explore with national partners.
- Learn about other groups or organizations supporting underrepresented populations from trusted partners.
- Fund larger partners to proactively build capacity of smaller, local organizations to prepare them.
- Consider ways to support the economic recovery of communities beyond meeting immediate needs.
- Fund organizations that train community members to be first responders; people want to be cared for by people who are like them.



### **Resources: Equity in Disaster Recovery**

- CDP Blog: <u>Why equity should matter in disaster philanthropy</u> & <u>Intersectionality in Disasters</u>
- The Conversation: <u>Hurricane damage harms the most vulnerable, reveals</u> inequality and social divides
- <u>I-DIEM</u>
- IEM Insights brief on <u>Equity and Diversity in Disaster Recovery</u>
- <u>National Volunteer Fire Council</u>
- NYTimes: <u>Why Does Disaster Aid Often Favor White People?</u>
- Rice University: <u>Natural Disasters Widen Racial Wealth Gap</u>
- Urban Institute: <u>Improving the Disaster Recovery of Low-Income Families</u>



### Some Data: Equity in Disaster Recovery

- Women experience "adverse economic effects of natural [disasters], due to their predominance in tourism and hospitality industries, which are often devastated by disaster events" (<u>MarketScreener</u>, June 2021)
- Marginalized and underrepresented communities "are disproportionately affected by flood disasters due to racist and classist policies in lending, housing, and other sectors" (<u>American Flood Coalition</u>, 2020)
- In a <u>February advisory</u> from FEMA's Office of Equal Rights, aid recipients were reminded that they "should routinely consider the needs of all the populations they serve, including racial, ethnic, and limited English proficient (LEP) communities, as well as individuals with disabilities, to ensure compliance with federal civil rights laws. Recipients should ensure these populations receive an effective, nondiscriminatory allocation of resources, services, and benefits."
- <u>According to CDP</u>, "Among institutional giving to specified recipients, 5 percent of dollars and 12 percent of awards [related to COVID-19] explicitly identified communities of color or people of colorserving recipient organizations as intended beneficiaries."
- In a <u>January briefing paper</u>, Oxfam dubbed the coronavirus "The Inequality Virus" stating that "[h]istory will likely remember the pandemic as the first time since records began that inequality rose in virtually every country on earth at the same time."



### **Up Next**

#### Impactful Annual CSR/Sustainability Reports

September 21 1:00-2:15 pm ET

3<sup>rd</sup> Tuesday of the month

Summer Hiatus No Session in August





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