

# Amazon, Microsoft and other companies promise to “diversify corporate boards” and embrace black capitalism

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Major corporations based in Washington state have joined a new effort to triple the ratio of black executives on executive boards by 2028. Embracing the right-wing principles of black capitalism, corporate leaders argue that diversifying the upper echelons of American society will advance the fight against racism and police violence.

According to a *Seattle Times* article, “New program to diversify corporate boards gets backing by Seattle-area companies,” the Seattle-based law firm Perkins Coie initiated the “Black Boardroom Initiative” on June 2, hoping to make the corporate boardrooms “a little less white.” The campaign has attracted the support of Amazon, Microsoft, Starbucks, F5, Zillow and a handful of other businesses.

The initiative was developed in the aftermath of the murder of George Floyd by Minneapolis police officer Derek Chauvin last May, which sparked mass demonstrations among millions of workers and youth throughout the world. James Williams, managing director of Perkins Coie is quoted in the article as being “galvanized” to “get this off the ground,” in the wake of Floyd’s murder.

Last year’s eruption of protests against police brutality, social inequality and the capitalist response to the pandemic certainly shocked the ruling class, which was fearful of the potential for mass anger to escape the control of the two-party political establishment. In that context, various corporations, including Amazon and Microsoft, issued statements of support for police reform and the end to “systemic racism,” donated to Black Lives Matter and affiliated organizations, and stated their commitment to “diversity and inclusion” in their own ranks.

The real content of their “solution” to unending police terror is revealed in efforts like the Black Boardroom Initiative: Adding a handful of minorities to their ranks and continuing to bask in record wealth accumulated from the exploitation of the rest of society. None of the executives clamoring for boardroom inclusion has explained how having more black directors in a corporation will compel the cops to kill less.

The Black Boardroom Initiative reflects the class character of identity politics, which is aimed at obscuring the basic class divide in society while elevating a small layer of privileged upper-middle class minorities into the top 1 percent of society. This program is even more revealing in the context of the pandemic, when the wealth of the world’s billionaires increased by \$3.4 trillion while the vast majority of the planet faced mass death, unemployment and poverty.

Since Nixon’s passage of affirmative action executive orders in 1969, the ruling class has sought to elevate a layer of upper-middle-class African Americans that would be loyal to the status quo.

In 1960, around the time E. Franklin Frazier wrote his pioneering work, *The Black Bourgeoisie*, there were an estimated 25 black millionaires in the US. That number has grown 60,000 times. Today there are an estimated 1.5 million black millionaires and seven black billionaires in the United States.

The concentration of wealth among African Americans is extreme. According to a Pew Research Study, 35 percent of black households have negative or no net worth. Another 15 percent have less than \$6,000 in total household worth.

Virtually every major corporation, financial

investment firm and state agency has adopted the program of diversifying the upper strata of their organizations. Last December, NASDAQ filed a yet-to-be-approved proposal with the US Securities and Exchange Commission, which would require all companies listed on the exchange to publicly disclose consistent, transparent diversity statistics about their boards of directors. When the companies are unable to have at least two “diverse” directors, they are compelled to explain why. A director is considered “diverse” if they self-identify as female, an underrepresented minority, or LGBTQ.

As outlined in its “2021 Stewardship Expectations” published in December 2020, BlackRock, the world’s largest investment manager, will be voting down directors of companies in their \$8.67 trillion portfolio if they do not improve diversity in the workplace, including the board.

Wikipedia lists BlackRock as the largest investor in weapons manufacturers through its iShares U.S. Aerospace and Defense ETF. State Street Global Advisors, another investment firm holding \$3 trillion in assets, followed suit in January, putting pressure on the S&P 500 and FTSE 100 that it has voting power over.

While the super-rich have engaged in their “diversity” campaign in the wake of Floyd’s tragic death, American cops have been busy killing workers and the poor, of all races, at about the same rate as before. Statista’s report on police brutality published on June 1 notes that “the trend of fatal police shootings in the United States seems to only be increasing, with a total 371 civilians having been shot, 71 of whom were Black, in the first five months of 2021.”

It is significant that the Black Boardroom Initiative is piloted in Seattle, a city that has witnessed a drastic economic and social polarization fueled by the expansion of the technology industry, led foremost by Amazon, Microsoft, Facebook and Google.

The population has grown by 18.7 percent since 2010, making it the fastest-growing city in the nation. While the median income increased from \$60,200 in 2010 to \$102,500 in 2019, driven by the growth of millionaire and billionaire executives in the tech, medical and business sectors, working class households have struggled to afford housing and pay the bills. The bottom quarter of Seattle families earn under \$50,000, which is a poverty income in one of the most expensive

cities in the United States.

As a result of rising inequality, housing costs and gentrification, homelessness has worsened. According to a report released by the U.S. Department of Housing and Urban Development (HUD), Washington state experienced a 6.2 percent increase in homelessness between 2019 and 2020, during which time 30 out of every 10,000 people in the state were homeless. During the same time period, homelessness grew by 2 percent nationwide.

Police violence continues and intensifies, because its real source is ever-rising social inequality, requiring ever more brutal forms of police terror on behalf of the corporate oligarchy.

Today, economic polarization is greater within the black population than in the US population as a whole, and the conditions of African American workers are worse than they were a half century ago.

The “inclusiveness” of people of color into the ranks of the ruling class indicates the selfish profit interests of this social layer. Their diversity initiatives will do nothing to address the plight of millions of workers in the United States, least of all black workers, who face among the highest rates of poverty, hunger and housing insecurity.

The ending of police violence, racism and poor social conditions demands not the redistribution of wealth and privileges in the richest strata of society under capitalism, but rather the elimination of social inequality under socialism.



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