

State seen lagging on minority contracting

Investigation finds 24% drop over last two decades

Kenneal Patterson
January 23rd, 2020
Bay State Banner

The dollar amount of state contracts awarded to minority-owned business has declined by 24% over the last 20 years, according to a WGBH investigation released last week.

After comparing past data with current trends, the study conducted by WGBH's New England Center for Investigative Reporting concluded that minority-owned businesses received \$135 million less in state contracts in 2018 than in 1998, after adjusting for inflation.

"The report is very concerning," said Segun Idowu, executive director of the Black Economic Council of Massachusetts.

After the "Color of Public Money" two-part series aired, BECMA released a statement demanding "immediate and impactful action." The statement said that black-owned businesses have rarely been prioritized by elected officials, and it urged Mayor Walsh, Gov. Baker, House Speaker DeLeo and Senate President Spilka to publicly acknowledge the urgency of the issue. The BECMA statement included a detailed plan for these officials to adopt. The blueprint proposes increased contracting opportunities for black businesses across Massachusetts.

"What we do know is that the state is not doing what they should be doing with black businesses," said Idowu.

The BECMA plan includes a roadmap for the 2021-2022 budget, ensuring statewide funding over the following three years. It also urges agencies throughout Massachusetts to adopt the "Massport Model." In 2018, executives from the Massachusetts Port Authority celebrated the construction of a new hotel in the Seaport District. Massport prioritized diversity and inclusion throughout the construction process, instead of only considering technical aspects of the hotel's development. The BECMA statement urges officials to follow this model for all future projects.

Idowu said that in 2009, the state's Operational Services Division — which includes the Supplier Diversity Office — rejoined the administration and relinquished its independence. Once that happened, Idowu said, the funding went down. The SDO no longer had the capacity to monitor projects and ensure inclusion.

“With no monitoring,” said Idowu, “there’s no enforcement.” He said that he’s calling for the SDO to once again be independent.

He also said that there has been a clear lack of monetary commitment from government officials.

“The budget is a reflection of the values and the principles,” said Idowu. “And we aren’t a priority.”

The BECMA statement also addresses Martin Luther King Day, on which Massachusetts officials have historically commemorated the late Dr. King. Honoring his values isn’t enough, however. The BECMA statement says that these officials must also address concrete plans for advancing black communities.

“We can no longer allow their substitution of symbolism for substance,” it reads, urging leaders to take action and make visible changes.

“We’re hoping to hear from the administration and their side,” said Idowu, though when these officials are presented with the complete plan, he added, “I’m sure they’ll disagree.”

Idowu said that the black community has been aware of this discrepancy for years.

“What I’m ashamed of, is there are ... folks that have had a business for 30 to 40 years that have been calling for these things to happen,” said Idowu. “It’s been longer than I’ve been alive.”

BECMA is not the only organization that has acknowledged the WGBH report. Amplify Latinx, an organization dedicated to advancing economic and political power for Latinx communities, released a statement on Jan. 20 that also called on officials to take “immediate action.”

Idowu said that disagreement will always follow “explosive” reports like “The Color of Public Money.” He just hopes that officials will follow the recommendations laid out in the statement.

“What we’re hoping their response will be is taking our recommendations at face value, and announcing how they’re going to move forward,” he said.