

# Digital Divide Toolkit

August 2024



# Mission

To identify, develop and promote scalable and sustainable public policies and corporate engagement strategies that will address systemic racism, social injustice and improve societal well-being.

Vision

To improve the quality of life for the 47M+ Black Americans through advocacy and advancement of solutions that seek to end systemic racism.



# Contents

About CEOARE

**Case for Change** 

A Collective Approach

What is the Digital Divide?

Why should corporate America care?

**Digital Ecosystem** 

**Business Imperatives** 

Solutions

Appendix





Case for Change

Audience Digital Divide

Solutions

# About CEO Action for Racial Equity

### Who we are

CEO Action for Racial Equity (CEOARE) Fellowship brings together top talent and resources to advance public policies and corporate engagement strategies that will address systemic racism and social injustice while improving societal well-being. The Fellowship mobilizes the larger collective business community – across industries and regions – to collectively put values into action, activate networks, and collaborate through a business lens.

Our focus is to positively impact the 47+ million Black Americans. To provide pathways to enter the digital economy and to improve societal well-being.



# The Case for Change

CEOARE

**Imagine** living in a world where you cannot access the internet, use digital devices, or benefit from online services. This has become known as the digital divide and is defined as "the gap between those who have affordable access, skills, and support to effectively engage online and those who do not."<sup>(1)</sup> As this gap shows up in our communities in various ways, such as broadband access and connectivity, an impact on economic, educational, health and social outcomes follows. The Digital Divide gap is a challenge that has profound consequences for social, economic, and educational opportunities, especially for marginalized groups such as Black Americans. As of 2021, close to 28% of Black Americans do not have a desktop or laptop computer versus 17.3% of white Americans. The discrepancy continues for those without an internet subscription (13.5% of Black Americans versus 9.2% of white Americans).<sup>(2)</sup>

Businesses that are committed and intentional in collectively joining forces can help create the incremental paradigm shift to close the digital divide. By weaving initiatives that center on closing the digital divide into business imperatives the through line for change becomes evident. For example, non-profits are highlighted as resources that help bridge communities, transform the digital ecosystem, and advance digital equity

Throughout this toolkit, business leaders will explore approaches in advancing digital equity. These approaches reflect how innovative business solutions can align with business imperatives to improve our economy and our communities.

<sup>(1)</sup> Edson, Shauna, Ryan Collins, and Pamela Rosales. "Definitions." National Digital Inclusion Alliance, January 11, 2024. <a href="https://www.cigitalinclusion.org/definitions/">https://www.cigitalinclusion.org/definitions/</a>. (2) US Census Bureau, "Computer and Internet Use in the United States: 2021", June 18, 2024. <a href="https://www.census.gov/newsroom/press-releases/2024/computer-internet-use-2021.html">https://www.census.gov/newsroom/press-releases/2024/computer-internet-use-2021.html</a>.



Audience Dig

# The Case for Change: A Brighter Future

While the digital divide presents a challenge for Black Americans, there's an incredible opportunity for businesses and organizations to make a meaningful impact. The data below reflects the current landscape and disproportionate effect on Black Americans.

# 🔒 Job market

Black Americans are ten years behind white peers in digital literacy and could be disqualified or underprepared for 86% of the jobs in the U.S. job market by 2045.<sup>3</sup>

# Access

**Overall, 28% of Black households** do not have a computer and 13.5% do not have internet access.<sup>4</sup>

# Youth

**The gap extends further to 48% of Black youth**, who are three times as likely as white youth to have no or limited independent digital skills.<sup>5</sup>

# HBCUs

**82% of Historically Black Colleges** and Universities (HBCUs) exist in digital deserts.<sup>6</sup>

Efforts to close the digital divide is not just a technological imperative; it's a matter of social justice and equal opportunity. Through collaborative efforts involving corporations, government, non-profits, schools and communities, the gap can be bridged enabling members of the Black community to have the tools and knowledge needed to thrive in the current digital era. By investing in the digital divide, corporations not only contribute to the societal issue, but they stand to benefit from investing in digital equity initiatives. These investments can unlock:

# **O** Upskilled **O** O Resources





Corporate engagement extends beyond profit margins; it encompasses a commitment to the communities they serve. By prioritizing digital inclusion work and leveraging its resources and influence, corporations can drive positive change when they align their bottom line with societal progress.

(4) US Census Bureau, "Computer and Internet Use in the United States: 2021", June 18, 2024. <u>https://www.census.gov/newsroom/press-releases/2024/computer-internet-use-2021.html</u>.
(5) Ian Hecker and Amanda Briggs, "<u>Overlooked and Underconnected: Exploring Disparities in Digital Skill Levels by Race among Older Youth in the US</u>", Urban Institute, January 2021
(6) Bevins, Frankki, Kathryn Fox, and Jimmy Sarakatsannis. "<u>How Historically Black Universities and Colleges Are Drivers of U.S. Growth</u>." World Economic Forum, August 10, 2021.

<sup>(3)</sup> Apjit Walia, "America's Racial Gap & Big Tech's Closing Window", Deutsche Bank Research, September 2, 2020.



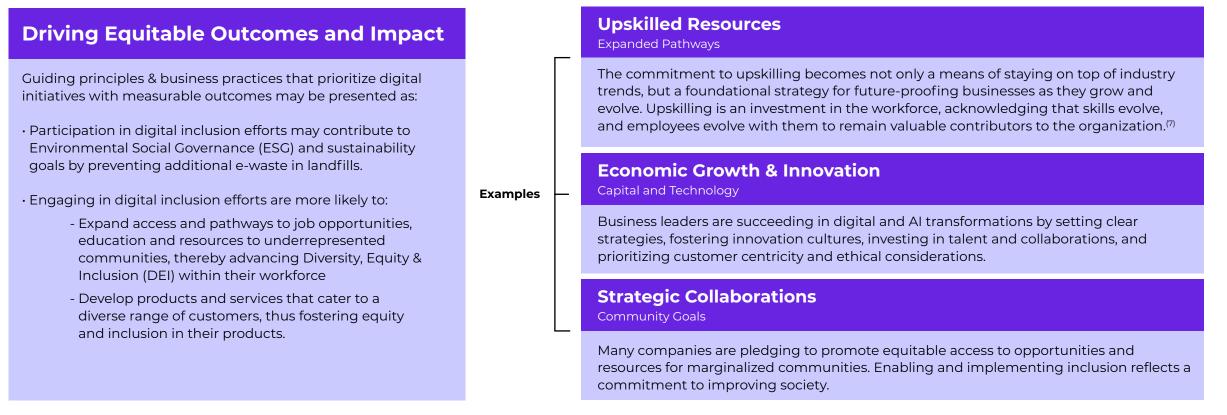
Case for Change

Audience Digital Divide

Solutions

# The Business Case for Change

The **digital divide** not only perpetuates societal inequities, but also hinders business growth and innovation. When businesses prioritize efforts to close the digital divide through strategic collaborations and investments, it broadens its impact by creating access to a diverse talent pool with digital skills, entering untapped markets, and enhancing innovative perspectives. These are a few example assets and resources that Black communities present.



For insights into how strategic investments in bridging the digital divide can align with core business strategies, refer to the Solutions Section.

(7) Bergson-Shilcock, Amanda, Roderick Taylor, and Nye Hodge. Rep. Closing the Digital Skill Divide, February 1, 2023. https://nationalskillscoalition.org/wp-content/uploads/2023/02/NSC-DigitalDivide\_report\_Feb2023.pdf.

Audience

# A Collective Approach

Leaders across the digital ecosystem, including government, non-profits, schools, communities and corporations in various sectors (e.g., technology, manufacturing, retail, etc.), can collaborate to help expand the impact of digital transformation.

The synergies from diverse knowledge sources with funding, resources, and infrastructure can transform the digital ecosystem into one that is inclusive and equitable.

Albeit not exhaustive, the list to the right includes some corporate stakeholders that have line of sight in advancing digital equity.

# **Influential Business Leaders**

- Diversity Officer
- Transformational Officer
- Information Officer
- Technology Officer
- Revenue Officer
- Operations Officer
- Chief Sustainability Officer
- Foundation/Philanthropic Leader
- Community Impact Leader
- Employee Resource Groups



CEOARE Case for Change

Audience Digital Divide

Appendix

# What Is The Digital Divide?

According to the National Digital Inclusion Alliance, as previously mentioned, the digital divide is defined as "the gap between those who have affordable access, skills, and support to effectively engage online and those who do not."<sup>(8)</sup> This gap shows up in our communities in various ways, specifically, as we know broadband access and connectivity impact economic, educational, health and social outcomes.

Let's outline the attributes of the digital divide.

Rollover the sections for more infomation.

(8) Edson, Shauna, Ryan Collins, and Pamela Rosales. "Definitions." National Digital Inclusion Alliance, January 11, 2024. https://www.digitalinclusion.org/definitions/



Solutions

# The Why: Societal Impact on Corporate America

Corporate America has a vested interest in addressing the digital divide in the communities they serve.

Let's find out how investing in helping close the digital divide may improve society inequities in racially/ ethnically diverse communities. Through a lens of Environmental, Social, and Governance (ESG) and Corporate Social Responsibility (CSR), this toolkit outlines some of the social inequities, approaches, and solutions for organizations to consider.

Rollover the sections for more infomation.



# **3-Tiered Digital Ecosystem**

# **Equitable Digital Solutions**

The positive results when collective community collaborations align with business imperatives that prioritize social, economic, educational inclusion and equity.

• Advancing digital equity requires an integrated strategy and roadmap through collective engagements, and internal & external collaborations, to build a shared and advanced infrastructure.

### **Business Imperatives**

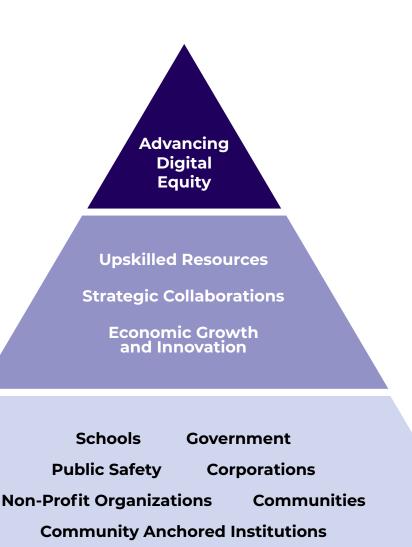
Prioritizing and aligning digital divide gaps with business imperatives.

• When corporate leaders identify and align their **business imperatives**, to include efforts aimed at closing the digital divide, the work can help the infrastructure with actionable and impactful goals. It is through these collectives that sustainable practices can be established.

### Infrastructure

The foundation begins when the collective community collaborators seek to address societal systemic racism, injustice and well-being.

• Through collaboration, organizations like corporations, government, non-profits, schools and communities enable the **infrastructure** that can help bring to life aspirations and visions that otherwise would be difficult when done alone.



Now that we've explored the broader digital ecosystem, let's delve into the 3 tiers in more detail.



Solutions

# Digital Ecosystem – The Infrastructure

The collaboration of corporations, government, non-profits, schools, and communities is essential to advancing digital equity because it combines resources, experience, knowledge and outreach efforts, leading to more equitable access to technology and digital literacy. Click on each header below to learn about some of the entities within each area. Consider where your organization fits, and how your work can intersect with other groups to enable a more equitable digital ecosystem.



```
Digital Ecosystem Business II
```

Appendix

Solutions

# Aligning Core Business Imperatives to Business Outcomes



 <sup>(10) &</sup>quot;New Report: 92% of Jobs Require Digital Skills, One-Third of Workers Have Low or No Digital Skills Due to Historic Underinvestment, Structural Inequities," National Skills Coalition, February 6, 2023
https://nationalskillscoalition.org/news/press-releases/new-report-92-of-jobs-require-digital-skills-one-third-of-workers-have-low-or-no-digital-skills-due-to-historic-underinvestment-structural-inequities/.
(11) Chakravorti, Bhaskar. "How to Close the Digital Divide in the U.S." Harvard Business Review, July 20, 2021. <a href="https://https//htttps//https//https://https://https//https//https//https//https

<sup>(12)</sup> Bill Callahan and Angela Siefer, "Limiting Broadband Investment to "Rural Only" Discriminates Against Black Americans and Other Communities of Color", National Digital Inclusion Alliance, June 2020.



Case for Change

Audience Digital Divide

The Why Dig

Digital Ecosystem Busi

**Business Imperatives** 

Appendix

Solutions

# **Business Imperative Driven Solutions**

Driving Equitable Outcomes and Impact			<b>Digital Upskilling</b> Upskilled Resources	<b>Improving Access</b> Economic Growth and Innovation	<b>Beyond</b> <b>Transactional Giving</b> Strategic Collaborations
<b>Upskilled</b> <b>Resources</b> • Expand pathways	Economic Growth and Innovation • Capital • Technology	Strategic Collborations • Community goals	Diverse Recruiting and Hiring Pathways	Afforadable Internet Solutions	Employee Volunteer Events
			Digital Literacy Programs	Community Networking	Public and Private Collaborations
When corporations align their <b>business imperatives</b> with solutions centering on the digital ecosystem, the outcome can advance digital equity.			Future of Work	User-Friendly Technology	Grants
Continue reading to learn how these concepts foster viable solutions that aim to close the digital divide. These viable solutuins are meant to stimulate ideas, innovation and tranformation.			Digital Transformation	Advocacy	Hardware Donations and Strategies



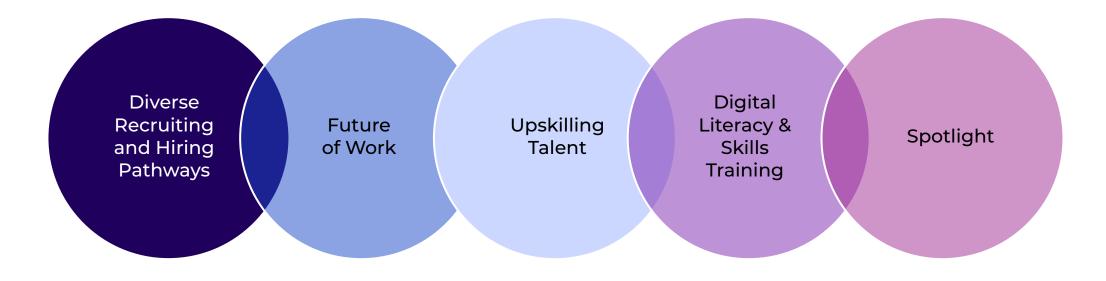
Appendix

Solutions

# **Equitable Digital Solutions**

# **Digital Upskilling**

Upskilling talent and resources to enable a diverse labor market





Solutions

Appendix

# **Digital Upskilling**

# **Diverse Recruiting & Hiring Pathways**

Recruitment plays a central role during digital transformation because companies in many industries need to hire employees who possess diverse knowledge, skills and abilities to increase their competitiveness without major disruptions. Diverse candidates can bring unique perspectives and foster innovation.

### **HBCU** Collaborations

- Unlock scholarships
- Funding digital divide initiatives
- Foster internships & recruitment

## **Establish Strategic Job Structuring**

- Bias mitigation techniques
- Remote work company provided tools
  - Enable employees to have access to necessary tools (ex. Laptops, software)
  - Support high speed internet access for seamless remote/hybrid work
- Update job descriptions
- Gender neutral
- Job description reviews (degrees optional)
- Job trainings & certifications

### Highlight inclusive culture in recruitment materials to include benefits, ERGS and company initiatives.

(13) U.S. Department of Labor. "Hiring Initiative to Reimagine Equity (HIRE)." Accessed June 11, 2024

### EEOC HIRE Initiative <sup>13</sup>

A joint initiative of the U.S. Equal Employment **Opportunity Commission** (EEOC) and the U.S. Department of Labor's Office of Federal Contract **Compliance** Programs (OFCCP).

A multi-year collaborative effort that engages a broad array of stakeholders to expand access to good jobs for workers from underrepresented communities and help address key hiring and recruiting challenges.



# **Digital Upskilling**

### The Future of Work

The future of work refers to how jobs and workplaces are changing due to factors like technology, remote work, and shifting attitudes that are shaping what employment looks like in the years ahead. Businesses require a strategy to execute shifts as digitization continues to evolve. Simply put, companies should self-assess their products and services to mitigate potential bias and look towards the future. Here is an illustrative business example reflecting this concept:

To advance digital equity, a technology company addresses areas of artificial intelligence (AI) including risks, policies & procedures, ethics, future of work and talent, and applied AI use cases. As part of this long-term ambition, the company is also providing free access to its own, in-house generative AI platform to a leading disability equality charity, as well as to employees across Europe and the Middle East.

The platform has been designed to help staff with day-to-day tasks, such as drafting content, writing code, and carrying out research. It can also aid with project and task management.

Through its new generative AI practice, the company has scaled its AI capabilities, alliances, and offerings across businesses and industries to enhance productivity and accelerate the pace of business innovation.



Solutions

# **Digital Upskilling**

# **Upskilling Existing Talent**

Digital transformation requires changing the parameters of business operations and creating holistic upskilling programs to allow businesses to future-proof their workforce. Transforming business operations requires thorough upskilling programs that businesses need to address the future of work. Here are two illustrative business examples reflecting this concept:

A global pharmaceutical organization noticed a gap in knowledge and a need to upskill its marketing team in key areas of digital transformation.

The objectives for their upskilling program included to increase people's confidence and competence within the arena of digital transformation, improve dialogue internally and with agency collaborators, and encourage and foster a test-and-learn culture.

Within weeks after launching the global digital upskilling program, the company noticed a significant improvement in digital skills and knowledge. A travel company decided to address the tech talent shortage head-on by developing a data university. The industry is short of tech talent, so they wanted to enable their employees to obtain a grasp of data literacy. They wanted training talent in-house rather than having to constantly rely on outsourcing or hiring new staff to close their knowledge gap.

Rather than seeking skills in an under-saturated talent pool; they invested in upskilling their existing employees.



Solutions

Appendix

# **Digital Upskilling**

# **Digital Literacy and Skills Training**

### **Public: Digital literacy training**

 Collaborate with nonprofit organizations who provide local, and community based digital literacy trainings. Trainings may range from basic computer applications, like the internet and tech tools, all the way to complex concepts like cybersecurity and generative AI.

• Leverage internal resource experience to provide public online training that focuses on racially/ ethnically diverse communities.

### Internal: Digital skills training

- · Seek corporate licensing agreements with various technology platforms.
- · Provide employees with continuous learning and skills training through interactive, informative and fun ways. Some examples of how this can be achieved is through virtual reality (VR) technology, metaverse and gamification.

# **RECYCLE. REPURPOSE. REINVEST.**

As an illustrative business example, a financial services company collaborated with civic associations, senior centers, and a summer employment program to provide refurbished laptops from minority-owned vendors, loaded with operating systems, word-processing software and training programs. The computers were donated to the community and the company paid third-party professionals to train recipients on basic laptop-use skills.



Appendix

Solutions

# **Digital Upskilling**

# AI Used in Recruiting Can Impact the Personal Touch

While digital skills are important, Americans have a range of views about the use of artificial intelligence systems by employers in the hiring process and to evaluate employee performance.<sup>(18)</sup>

They often reject the idea that AI would be used in making final hiring decisions, by a ratio of roughly ten-to-one. A smaller plurality (41%) also opposes the use of AI in reviewing job applications. These findings line up with a theme in Pew Center research: that people are not comfortable ceding final decision-making to a computer program.<sup>(18)</sup>

Relatedly, U.S. adults are more opposed than favorable toward the idea of employers using AI analysis in determining other major employeerelated decisions. By a 55%-14% margin, adults oppose the prospect that employers would use information collected and analyzed by AI about their workers' job performance to decide whether someone should be fired from their job. And a 47% plurality opposes the notion that AI analysis of worker performance would be used in deciding if an employee gets promoted (22% favor this).<sup>(18)</sup>

20 | CEOARE :: DIGITAL DIVIDE TOOLKIT



<sup>18.</sup> Lee Rainie et al., "Ai in Hiring and Evaluating Workers: What Americans Think," Pew Research Center, April 20, 2023, https://www.pewresearch.org/internet/2023/04/20/ai-in-hiring-and-evaluating-workers-what-americans-think/.



Appendix

Solutions

# ILLUSTRATIVE EXAMPLE – Social Media

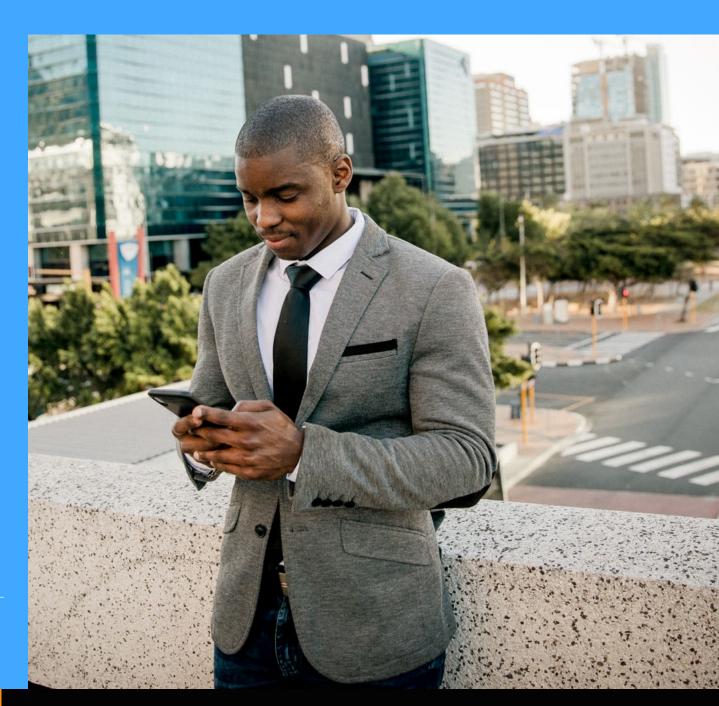
Diverse perspectives and experiences are essential to driving innovation and expanding a company's reach into the market. A lack of diverse households with access to the internet, skills and resources could limit the range of ideas and solutions that are developed.

Black Americans have contributed to the innovative and early ideas of our current social media platforms, including the use of short-form video-sharing, showcasing the power of viral content and cultural moments.

Black creators played a pivotal role, shaping trends, catchphrases, and community engagement. Platforms like Snapchat, Instagram and TikTok leveraged this creative outlet, enabling the current use of these platforms. <sup>(14)</sup>

(14) Smith, Jack. "Vine Was a Place for Black Teenagers to Seize Mainstream Culture. And Now It's Gone." Mic.com, October 27, 2016. <u>https://www.mic.com/articles/157879/vine-was-a-place-for-black-teenagers-to-seize-mainstream-</u> <u>culture-and-now-it-s-gone#goog\_rewarded</u>.

21 | CEOARE :: DIGITAL DIVIDE TOOLKIT





Case for Change A

Audience Digital Divide

The Why Digi

Digital Ecosystem

Business Imperatives

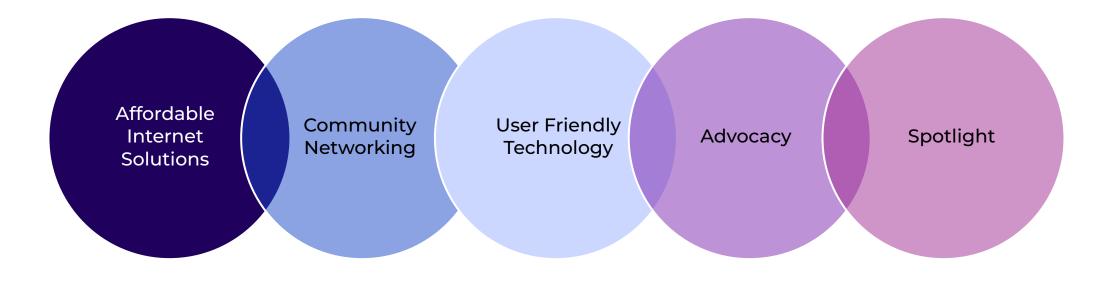
Appendix

Solutions

# **Equitable Digital Solutions**

# **Improving Access**

Increase economic growth and innovation by improving access to the digital world.





Solutions

Appendix

# Improving Access

### Affordable Internet Solutions

• When companies (e.g., financial institutions, retailers, grocery stores) offer free public Wi-Fi within their physical footprint, it provides customers access to the internet at no cost. This enhances their experience and may increase customer base.

## **Community Networking**

- · Provide on-premise free or affordable networks serving underserved or underrepresented groups who may live in public housing.
- · Build community-wide internet access into Internet Service Providers (ISP) contracts.
- Select community spaces to be used as digital hubs where members need access most and provide 24-hour internet access, or access that is not strictly limited to the location's hour of operation (e.g., community centers, libraries, training facilities, etc.).

### User-friendly technology

- Investing in user-friendly technology with simplified user interfaces, tailoring the design for various demographics (e.g., neurodiverse learners, hearing and sight impaired, children and elderly users).
- Making technology more accessible and understandable to those who may not have prior experience or skills may lead to a more diverse customer base, tapping into new markets and potential for economic growth.



Human I T

Comcast Project UP

PBS News Low Cost WiFi



# **Improving Access**

## Why policy advocacy matters

When corporations engage in the digital equity landscape, bipartisan policy advocacy often results in the most long-term impacts because it directly dictates how society operates. Legislation is also more capable of changing people's attitudes and mindsets over the long term and is more permanent than short-term initiatives taken by companies.

Organizations that advocate for closing the digital divide, such as those listed to the right, actively maintain policy advocacy resources and highlight priority areas of need. Consider these national and local organizations to help guide your policy advocacy strategy.

# Opportunities for policy advocacy may include

- Advocating for internet access at a public policy level, including minimum broadband/internet speeds
- Identifying a long-term subsidy program after the ending of the Affordable Connectivity Program (ACP)
- Implementing transparent processes for setting broadband standards, including the periodic review of minimum speeds
- Investing in digital skills training in community-based organizations, libraries, schools, and businesses to offer digital skills training programs to local residents.
- Establishing specific complaint process to help correct potential digital access bias or discrimination
- Requiring state broadband offices' digital equity plans to include racially/ ethnically diverse communities and non-partisan NGOs when developing digital equity strategies

24 | CEOARE :: DIGITAL DIVIDE TOOLKIT

Digital Equity Advocacy Organizations

National Digital Inclusion Alliance (NDIA)

National Skills Coalition

PCs4People

National Association of Counties



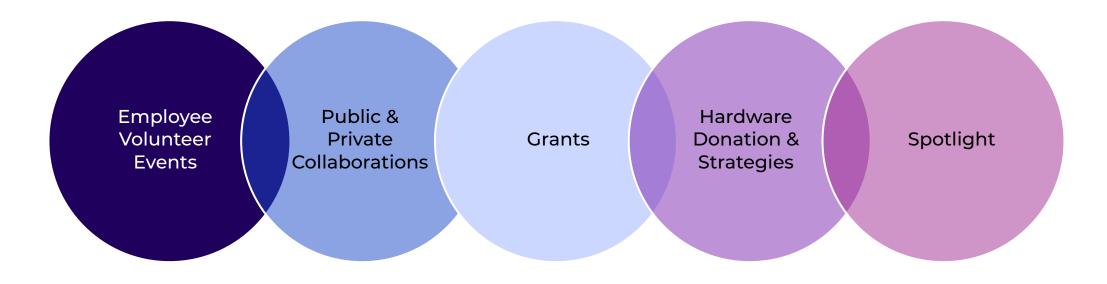
Appendix

Solutions

# **Equitable Digital Solutions**

# **Beyond Transactional Giving**

Strategic Collaborations





Solutions

# **Beyond Transactional Giving**

### **Employee Volunteer Events**

• Provide employees opportunities to volunteer their time and skills for digital literacy workshops, mentorship programs, or tech support for underserved communities. Here are some places to consider supporting through employee volunteer events:

- Senior centers
- Digital deserts
- Community centers
- After school programs

Encourage employees to educate and advocate their communities about national and local resources available that benefit those adversely impacted by the digital divide.

- Subsidy programs
  - Drive awareness
  - Support activations
- Corporate sponsorship of non-profit events and programming







Solutions

# **Beyond Transactional Giving**



### **Public and Private Collaborations - Connect 313**

City of Detroit, United Way for Southeastern Michigan, Rocket Mortgage, and Microsoft collaborated to establish a citywide, datadriven digital inclusion strategy that brings countless organizations together with the goal to make Detroit a national model for digital inclusion and enable Detroiters to access the digital world and the opportunity it brings.



# **Beyond Transactional Giving**

### Grants

- Providing corporate sponsored awards toward non-profit organizations advancing digital equity.
- · Providing grants to nonprofit organizations who are launching and delivering initiatives aimed at delivering digital literacy trainings.
- Establishing or supporting endowments, trusts or other long-term financial vehicles to advance digital equity.

## **Hardware Donations & Strategies**

- · Providing strategic, sustainable donations to organizations that advance digital equity.
- Incorporating donation percentages into technology lease agreements

### **Solution in Action**

Nonprofit organizations play an important role in bridging the digital divide for underserved communities. Here are some organizations that are prominent in the digital equity space.

Solutions

NDIA

PCs for People

**Digitunity** 

Human I T



Appendix

Solutions

# **ILLUSTRATIVE EXAMPLE - Collaboration**



This strategic collaboration with Detroit Public Schools Community District (DPSCD) along with the DTE Energy Foundation, Quicken Loans Community Fund, Skillman Foundation, Ralph C. Wilson, Jr. Foundation, General Motors and the Kellogg Foundation addressed a historical digital divide through the Connected Futures Project, by providing students with wireless tablets through a \$23 million investment.<sup>(16)</sup>



In Ohio, industry, education and government leaders collaborated to form Ohio's *Broadband and 5G Sector Partnership.* This initiative involved 26 entities working together to enable a skilled workforce through curriculum, training programs and career awareness with the goal of expand broadband access and 5G deployment. <sup>(17)</sup>

(16) Detroit Public Schools Foundation. "Connected Futures - Unparallelled Transformation". Published July 29, 2020.Connected Futures - Unparalleled Transformation - Detroit Public Schools Community District Foundation (dpsfdn.org) (17) Ohio Department of Job and Family Services. "Husted Announces Industry, Education, and Government Entities to Join Ohio's Broadband and 5G Sector Partnership." Published May 18, 2022. Accessed June 24, 2024. https://workforce.ohio.gov/news/051822



**Equitable Digital Solutions** 

In this toolkit, you learned that the digital divide is defined as "the gap between those who have affordable access, skills, and support to effectively engage online and those who do not." You explored some of the challenges that contribute to the growing digital divide. And lastly, you were presented with viable business solutions aimed at closing the digital divide.

### Each of us can create impact.

### It can be simple.

- Analyze your business strategies that speak to your purpose
- · Critique job descriptions to gain a wider pipeline

### Leverage your resources.

- · Enhance your hardware donation refurbish program
- Reach out to your connections for innovative conversations

### Think big and be a champion.

- Collaborate with a non-profit
- Support easy to understand and use technology
- · Lend resources and talent to non-profits to address expertise gaps
- · Consider corporate sponsorship of non-profit events and programming.

(18) Deutsche Bank, "America's Racial Gap & Big Tech's Closing Window", published September 2, 2020



# Income-level should not be a barrier to entry for the internet in America.

If the digital divide is not addressed, according to a recent Deutsche Bank Study, 76% of Black Americans could be underprepared for 86% of jobs in the US by 2045. (18)



# Access to the Internet is the civil rights issue of the 21<sup>st</sup> Century.

Congressman John Lewis



# **Deeper Dive**

### The Divide

Research indicates that over one third of Black Americans are not able to engage in the digital world. These gaps in access to reliable internet result in significant real-world consequences: lack of access to education, workforce development training, medical treatments, online social services and applications, remote-work jobs, etc., which indicate our social infrastructure is built upon the assumption that individuals are connected to the internet. Per the National Skills Coalition, "Historically, public policy decisions played a key role in forming racial inequities in educational attainment, employment, and wages among American workers. Policies also have helped advance the systems shaping access and outcomes in postsecondary education and training for racially/ ethnically diverse. Therefore, public policies must now be an integral part of the solution to addressing digital skill gaps for racially/ ethnically diverse workers." <sup>(19)</sup>

### **Redlining History**

Some of this disparity can be traced back to the influence of the federal redlining policies in the 1920s and 1930s during which Black neighborhoods were typically given poor ratings. As a result, they have since suffered from outdated broadband-related infrastructure, and resistance by internet service providers to upgrade due to the perception of poor return on investment.<sup>(20)</sup>

### **Economic Disparities**

Lower income levels make it challenging to invest in hardware devices and high-speed broadband subscriptions. Black households have significantly lower median wealth of \$45,000 compared to \$75,000 for white households <sup>(21)</sup>, directly impacting their ability to afford technology and internet access.

### **Unequal Educational Opportunities**

Lack of educational opportunities impact digital literacy, as a lack of exposure to technology hinders understanding and use. Black Americans face challenges in acquiring advanced digital skills needed for employment, education, healthcare and civic participation.

<sup>(19) &</sup>quot;Applying a Racial Equity Lens to Digital Literacy." National Skills Coalition, March 20, 2020. https://nationalskillscoalition.org/wp-content/uploads/2020/12/Digital-Skills-Racial-Equity-Final.pdf.

<sup>(20)</sup> Yin, Leon, and Aaron Sankin. n.d. "Dollars to Megabits, You May Be Paying 400 Times as Much as Your Neighbor for Internet Service – The Markup.org. Accessed March 14, 2023. <u>https://themarkup.org/still-loading/2022/10/19/dollars-to-megabits-you-may-be-paying-400-times-as-much-as-your-neighbor-for-internet-service</u>. The Markup.org. Accessed March 14, 2023. <u>https://themarkup.org/still-loading/2022/10/19/dollars-to-megabits-you-may-be-paying-400-times as Much as Your Neighbor for Internet Service – The Markup.org. Accessed March 14, 2023. <u>https://themarkup.org/still-loading/2022/10/19/dollars-to-megabits-you-may-be-paying-400-times-as-much-as-your-neighbor-for-internet-service</u>.</u>

<sup>(21)</sup> Novak, Analisa. "Report from National Urban League Finds Continued Economic Disparities among Black Americans." CBS News, March 1, 2024. https://www.cbsnews.com/news/national-urban-league-report-state-of-black-america-2024.



### **GENERAL DISCLAIMER**

CEO Action for Racial Equity officially ceased operations as of September 30, 2024. The resources available on this website are intended as general guidance only and given the passage of time and the changing nature of laws, rules and regulations, and the inherent hazards of electronic communication, there may be delays, omissions or inaccuracies in information contained therein. Each resource was created as of the date of its publication and has not and is not being maintained or updated since that time. No additional materials will be uploaded. Furthermore, the resources are provided with the understanding that the authors and providers are not herein engaged in rendering legal, accounting, tax, or other professional advice or services. As such, it should not be used as a substitute for consultation with professional accounting, tax, legal or other competent advisers. Before making any decision or taking any action, you should consult an appropriate professional.

### **NO WARRANTY**

The resources are provided "as is" with all faults. PwC US Group LLP (and its affiliates, together "PwC") and CEO Action for Racial Equity and signatory organizations make no warranty whatsoever, express or implied, with respect to the resources, including any warranty of condition, quality or suitability, warranty of merchantability, warranty of fitness for a particular purpose, warranty of title, or warranty against infringement of intellectual property rights of a third party, whether express or implied by law, course of dealing, course of performance, usage or trade or otherwise.

### LIMITATION OF LIABILITY

To the full extent permissible by law, User hereby expressly releases, waives, and forever discharges PwC and CEO Action for Racial Equity and signatory organizations and their present and former, direct and indirect, parents, subsidiaries, affiliates, employees, officers, directors, partners, principals, agents, representatives, permitted successors, and permitted assigns (collectively, the "Releasees") of and from any and all claims, actions, causes of action, suits, losses, expenses, liabilities, obligations, damages, and demands, of every kind and nature whatsoever, whether now known or unknown, foreseen or unforeseen, matured or unmatured, suspected or unsuspected, in law, or in equity arising out of or in connection with this resource except for any claims and liabilities that cannot be released or waived under federal, state, or local law.