

# Abstract

This paper discusses the ethical implications of racism and some of the various costs associated with racism occurring at the institutional level. We argue that, in many ways, the laws, social structures, and institutions in Western society have operated to perpetuate the continuation of historical legacies of racial inequities with or without the intention of individuals and groups in society. By merely maintaining existing structures, laws, and social norms, society can impose social, economic, and health costs on racial minorities that impinge on their well-being and human dignity. Based on a review of multidisciplinary research on racism, particularly focusing on healthcare, we demonstrate how institutional racism leads to social and economic inequalities in society. By positing institutional racism as the inherent cause of avoidable disparities in healthcare, this paper draws attention to the ethical significance of racism, which remains a relatively neglected issue in bioethics research.

## Introduction

Racism in healthcare poses a critical ethical problem (Danis, Wilson, and White [2016](#)). Its prevalence can dissipate the trust that racial and ethnic minorities put in the healthcare system and undermine its ability to deliver equitable health services (Nelson [2002](#)). On the other hand, a healthcare system that, in achieving the Rawlsian notion of “fair equality of opportunity,” ensures equitable access to all segments of society, can generate more social trust (Green [2001](#)). In a context of institutional barriers that preclude equitable access, healthcare services that adhere to a traditional individualistic ethos and ignore the cultural specificities of minority groups are likely to perpetuate existing disparities in health outcomes (Stone [2002](#)). These barriers, which raise an important ethical challenge, have been conceptualized in the literature as *institutional racism*—a form of racism that represents actions, policies, and practices that result in ethnic/racial inequalities in life outcomes (Better [2008](#)).

In the traditional redistributive notion of justice incorporated in Rawls’ “ideal theory,” racism as a systemic form of inequity is not explicitly addressed (Mills [2009](#)). Although Rawls rejected racism as unjust, his conception of the “ideally just” society omits any consideration of racial oppression as one of the most important features of Western societies. Powers and Faden ([2006](#), 8) provide an alternative theory in which oppressive structures such as racism and sexism are integrated as “multiclausal and multifaceted social structural barriers to achieving self-sufficiency.” Institutionally, racism presents itself as a negation of justice, unfairly eroding the rights of ethnic/racial minorities with consequences of preventable disadvantages in health and well-being (Powers and Faden [2006](#)). In this paper, we draw on multidisciplinary research on institutional racism to examine, with a particular focus on healthcare, the various social and economic costs it imposes on Australian society.

Institutional racism is widely documented outside healthcare, such as in law enforcement (Williams [2001](#); Newman, Dudley, and Steel [2008](#)), and is regularly reported in media. For example, on July 25, 2016, an ABC Four Corners programme aired the abuse of Indigenous children in an Australian youth detention centre in Darwin. This shocked the nation and initiated a Royal Commission that concluded racism had a part to play in perpetrating such abuses on systemic scales (White and Gooda [2017](#)). In Britain in 1993, when a young black student, Steven Lawrence was killed in a racially motivated attack, accusations of racist conduct were levelled against the metropolitan police. This led to an inquiry into police reaction and handling of the criminal investigation that followed the attack. The inquiry chaired by Sir William Macpherson concluded in the Macpherson Report that “institutional racism played a part in the flawed investigation by the police” (Bourne [2001](#), 7). In the United States, in the summer of 2014, police shot and killed two unarmed young black men in Ferguson (Missouri) and New York City, prompting widespread protests accusing the police of racial profiling. Unlike Australia and United Kingdom, there was no equivalent investigation in the United States concluding these incidents indicated underlying institutional racism, nor were there complete data on police shootings in general (Peeples [2019](#)).

Nonetheless, the above three incidents have one thing in common, despite their occurrence in three different countries. They are not isolated incidents but are recurrent and reflective of systemic injustices that affect racial minorities in multiracial societies. For example, emerging U.S. data related to police shootings indicate a wide racial disparity, with black people twice as likely to be killed as their white counterparts (Peeples [2019](#); Washington Post [2019](#)). It is true that the fatal police shootings graphically depict the tragic injustice of racism, yet they are also “everyday” symptomatic manifestations of the underlying institutional racism that pervades these societies. The issue of the systemic pervasiveness of racism has been a subject of considerable research over the last half century. The continued existence of practices, norms, and laws that unwittingly discriminate and disadvantage racial minorities makes the concept of institutional racism relevant today. There is no doubt that explicit forms of institutional racism that emerged with the rise of European colonization, industrial capitalism, and the Atlantic slave trade continue to manifest in twenty-first-century Western societies. Centuries later, these legacies continue to be foundational to modern nation states, with racism lurking beneath the structures and institutions that privilege whiteness and disadvantage racial minorities (Fraser and Honneth [2003](#)). Institutional racism as we know it today is not limited to explicit racial policies. While some openly discriminatory policies and practices—such as slavery, Jim Crow laws, Apartheid, and the White Australia Policy—have been abolished, the systems

they pioneered remain. The prediction that racism would either be eliminated or driven out of the marketplace failed to materialize, and race in the twenty-first century remains a defining factor of one's place in society (Darity, Hamilton, and Stewart [2015](#); Better [2008](#)). Our purpose, in this paper, is not to answer why racism continues to exist today. Rather, we suggest that understanding the historical basis of racism is important to grasping the institutional nature of the underlying racial inequities that deeply impact Western societies.

This paper focuses on the contemporary institutional aspect of racism, examining the systemic structures that perpetuate exclusion and racial inequity and assessing the prevalence and impact of institutional racism. Our purpose is to investigate whether and to what extent there are structural and systemic barriers, particularly in the Australian context, that continue to oppress racial and ethnic minorities. We begin in section two by conceptualizing racism as a system of social power, considering its manifestation across multiple domains, including law, political representation, education, employment, health, and business. Sections three and four present contexts and examples of institutional racism globally and in Australia. Section five discusses the costs of institutional racism, while section six contextualizes the ethical dimension of racism. We conclude in section seven.