THE RURAL SOUTH: WHERE AUSTERITY THRIVES AND BLACK AND LATINX AMERICANS PERISH

BY: AISA VILLAROSA, JHUMPA BHATTACHARYYA AND AZZA ALTIRAIFI
INTRODUCTION

The COVID-19 pandemic has devastated Black and Latinx communities across the rural south. The magnitude of this public health and economic crisis exposed the harms of austerity and the resulting disinvestment in public infrastructure and social safety net programs. Black and brown people overwhelmingly bear the brunt of the consequences of austerity. A recent article in the Journal of Rural Health found that the COVID-19 death rate has been significantly higher in rural counties with the largest Black and Latinx populations.1 This is not unexpected.

For decades, government disinvestment in rural southern communities has marginalized Black households, pushing them into poverty and adversely impacting the overall health of our economy. Austerity economics and the racist, ableist, and sexist narratives that uphold it provide cover for policymakers to continue creating barriers that prevent rural Black people from having their survival needs met.1 Black and Native American people experience the highest poverty rates in rural communities.30 percent of each population is forced into poverty due to systematic disinvestment and austerity politics.2

The Delta Variant of COVID-19 is causing a deadly surge of infections nationwide, and the South has been especially hard hit. It’s long past time for the government to provide life-sustaining resources that uplift communities pushed to the margins of our economy and to soundly reject toxic policies that call for spending reductions, budget tightening, and further weakening of the social safety net.3 Our economy and everyday people will suffocate if politicians and businesses keep returning to the same tired austerity decisions and narratives that got us here in the first place.

It is only when we bring to the center those who have been pushed to the margins of our economy that we will truly heal as a nation from this pandemic. Austerity measures and disinvestments will continue to worsen outcomes for rural Black households during the pandemic and resulting recession without urgent action. Lifting up Mississippi as a case study – a state where 51% of the population lives in rural communities and close to 40% are Black – this paper will examine the deliberate policy decisions that have dismantled public infrastructure in rural America and severely curtailed Black and brown people’s ability to meet their basic needs, build wealth, and care for their loved ones. This brief also demonstrates how rural Mississippi reflects and drives broader trends in the United States4 because the Mississippi economy mirrors the national economy in key ways, including the fact that many of its industries depend on a low-wage workforce.

ANTI-BLACK NARRATIVES AND SENTIMENT ARE FOUNDATIONAL TO SOUTHERN ECONOMIC POLICIES

Austerity politics are oppressive. At their root is the belief that the health of the economy lies in balancing budgets, not caring for the people that make up the economy. Policymakers who support austerity are supporting a framework that views communities of color, disabled people, women, and those at the intersection of these identities to be fundamentally undeserving of public investment. It is important to understand why and how this belief came into being. It is continued racism and ableism from our policymakers – particularly those in the South – that manifests into actions and policies that intentionally fail to uplift Black people.

Narratives – our cultural understandings, frames of reference or mental models – play a significant role in how leaders create and implement policies, and how people on the ground react to them. More than just stories of specific people, narratives contribute to our sense of the world and help us create order in a fairly chaotic landscape. Our narratives inform who we build empathy for and who we don’t. It is critical
for those of us fighting for racial and economic justice in the U.S. to understand that the narratives our country holds are hyper-focused on the individual versus systems, and are rooted in racism, xenophobia, ableism, and sexism. This lethal combination makes it extremely difficult to pass the policies we need to make comprehensive, transformative structural change toward economic, racial, and gender justice. As Rashad Robinson says, “Narrative builds power for people.” The question we must grapple with is, who are our current narratives building power for, and who do they purposefully leave behind?

Anti-blackness and ableism converge to create false narratives that paint Black people as lazy cheats who are unwilling to work. This is because ableism – the systemic oppression of people with disabilities and those presumed to be disabled – and anti-Blackness operate jointly to categorize some people as deserving of support and care while vilifying others as undeserving, burdensome, and sub-human. These false narratives are used to justify southern states’ specific refusal to buttress social welfare programs, even when it’s clear people are in dire need of help. Instead, they invent work requirements to limit access to basic needs like health care in places that have little to no work opportunities. As Olugbenga Ajilore notes, work requirements first started in Arkansas, a state with a higher than average Black population. Work requirements to social welfare programs exacerbate racial inequality, further marginalizing Black and Latinx rural communities who face undue barriers to work. Ajilore also notes how Temporary Assistance to Needy Families (TANF) is markedly lower in states with large Black populations compared to states that are significantly white. TANF benefits in Oregon, which is 75% white, are $506. In Mississippi, they are just $170.

When legislatures don’t allocate resources and build infrastructure to protect the lives of Black and brown people, and guarantee that Black and Latinx children have enough food to eat and a roof over their heads, they are admitting that they don’t believe Black and Latinx individuals and families are deserving of public investment. Failing to act with big, bold policies – and refusing to use public dollars to protect the public while never delaying a corporate bailout – is a continuation of unchecked white supremacist thinking in our government.

The austerity status quo manifests through public officials’ historic resistance to raising wages and employers’ subversion of workers organizing. This further ramps up workforce racial and gender inequity. As a result, no other parts of the country endure profound poverty like rural communities.

Although the law forbids racial segregation and discrimination, Black and brown people are overrepresented and funnelled into jobs lacking living wages, career advancement, and benefits like child and health care. This remains a substantial barrier to creating a strong economy in rural America. As the pandemic and recession unfold, these low-wage jobs are essential, front line work filled by Black rural Americans, which exposes them, their households, and communities to the coronavirus and resulting economic strife. Moreover, as evidenced by the continued racial disparities in COVID-19 unemployment rates, many low wage positions held by Black people may permanently disappear, pushing those furloughed or laid off into long-term unemployment and poverty. Poor internet and broadband disinvestment disproportionately hurt Black households in rural counties, widening learning gaps for students and hardening systemic barriers to higher-paying, salaried work for rural job applicants.

I’ve been at $7.25 since I’ve been able to work. I’ve never made over $10, never made over $10. The job I’m working now for a cleaning service, as a janitor, he only pays $7.25. That’s underpaid, underpaid.

- Black woman from Mississippi, Insight focus group
RURAL MISSISSIPPI AND AUSTERITY POLITICS

Rural Mississippi had not recovered from the Great Recession over a decade ago when COVID-19 hit. With an aging population, some of the country’s worst health outcomes, an underfunded and failing healthcare system, and high unemployment, rural counties were woefully unprepared for the outbreak. Crumbling infrastructure and diminished job opportunities have made it even harder for rural residents to live, work, and stay healthy. Black Mississippians make up nearly 40% of the state’s population and experience the highest rates of poverty by race. This is evidence of a continued legacy of racism, economic inequality and slavery. It is by design, not coincidence, that the Black community has experienced more severe COVID-19 cases, deaths, and related economic impact than white Mississippians for the entirety of the pandemic. Buoyed by austerity narratives and policies, the workforce system has crowded Black people, and especially Black women, into low-wage jobs that leave them at greatest risk of COVID-19 exposure. With Mississippi holding the 4th largest rural population in the country and a substantial Black population, there is a lot to learn about how austerity politics impact rural Black communities in America.

"When you can’t meet the needs of the household, the wife is dependent on you, the children dependent on you. And you’re depending on yourself to keep the lights and stuff on. It can be very mind-boggling, [you] can almost sink into depression.”

- Black man from Sunflower, MS, Insight focus group, describing what it is like to be out of work

ESSENTIALLY DANGEROUS: RACIALIZED AND GENDERED LOW-WAGE COVID-19 WORK

Well before the pandemic, the state’s workforce system writ large cornered Black and Latinx workers into jobs with insufficient pathways for advancement, benefits, and protections. Mississippi’s fastest-growing occupations, like health aide positions predominantly filled by Black women, pay a median wage of $11.37 an hour. In food service, the sector that has seen the fastest job growth in the state, over half of all jobs are held by Black people, and the median hourly wage is $8.90. These jobs, which also happen to be COVID-19 frontline positions, pay far below the state’s targeted “opportunity occupation” salary of at least $18 an hour. They come with little or no route to promotion, advancement, or protections like workers’ comp or paid leave.
“I’ve been in radio for 21 years...I have the experience. I do the commercials. I do ads and everything else. [My employers] feel that because workers serve part time, they don’t have to give us a raise. But we do the work... Our part-time employees make $7.25. I’m underpaid for my experience.”
- Black woman, Insight Sunflower focus group

Since the start of the pandemic, Black COVID-19 mortality rates have outpaced white deaths by as much as 200 percent. Virus outbreaks have been most severe in rural Black-majority counties like Tunica, Bolivar, and Wilkinson, where there are few or no ICU beds, and in some cases, no hospital. These counties’ large agricultural operations, including catfish and meat processors employing mostly Black and Latinx people, quickly became hotspots for the virus.

Another industry profiting off of cheap Black and brown labor is the state’s prison complex. It has seen horrific rates of COVID-19 illness and death. Several large outbreaks took place in prisons across the Delta and rural counties, where incarcerated people have labored for dollars a day through the pandemic.

“The Chicken Plant Replaced the Cotton Field”: COVID-19 in Rural Mississippi’s Poultry Facilities

Mississippi’s poultry industry ranks fifth in the nation for production. Black and Latinx people are the backbone of the industry. Even before COVID-19, working in the state’s large processing plants meant high risk and low wages. As a veteran civil rights activist noted, “The chicken plant replaced the cotton field.” Paying around $12 an hour, these positions require grueling labor in cramped spaces, where workers stand shoulder to shoulder for hours. With few job alternatives available, Black and Latinx Mississippians in rural communities very often compete for the same positions, which typically lack protections like sick time off and workers’ comp. Despite being hailed by the Trump administration as “essential” early on in the pandemic, plant workers were denied safety measures like masks and social distancing. Meatpacking lines became hotspots. Layoffs and closures followed. Employers and the government made matters worse, choosing profits over people, by forcing employees to increase production at the height of the pandemic.

Mississippians in hourly wage positions like those in rural catfish and meatpacking facilities have weathered the harshest impacts of COVID-19’s economic downturn due to reduced hours, unsafe conditions, lay offs, and a lack of benefits. Mirroring much of the country, Mississippi’s essential and frontline workforce is cut along racial and gender lines. Black women have some of the highest rates of workplace-related COVID-19 risk, with the least access to protections like child care, health care, paid leave, or workers’ comp.
One of the pandemic’s most high risk jobs, cashier, is heavily filled by Black women, and pays a median hourly wage of $9.01. In a state with the highest rate of single parents and nearly half of working families living in poverty, the pandemic should have been a wake up call to increase workplace pay and protections. Instead, policymakers and society willingly label frontline workers as essential while failing to see them as full people, and continue to deny them work support like child care and paid leave to frontline workers.

**AUSTERITY COLORS COVID-19 RELIEF**

Throughout the pandemic, disinvestment in relief for rural communities has weakened or eliminated economic lifelines for Black and brown families, working people, and small businesses. This disinvestment stems from a long history of deliberate policy choices that ignore the needs of Black people, and label them undeserving. On top of the racially inequitable Payroll Protection Program, Mississippi’s Black small businesses, especially critical in rural areas and unbanked communities, lack a baseline economic structure in which to operate and survive. Months and possibly years away from the pandemic’s end, COVID-19 unemployment funds and business loans have failed to provide Black rural communities with what they need to endure economic depression. Black Mississippians make up 38 percent of the state population, but Black businesses received less than 10 percent of the state’s PPP loans. In contrast, white people (less than 60% of Mississippi’s population) got over 83% of all PPP loan awards.

Unemployment relief has also not been racially inclusive for Mississippian. The state’s overall unemployment rate has improved since it peaked at 16.3 percent in May of 2020. However, recovery has been far slower for Black rural counties like Jefferson, Sunflower, and Wilkinson, where October 2020 unemployment rates neared or even surpassed the April 2020 state high. Black-majority Humphreys county, a rural county known as the catfish capital of the world, had the third highest county unemployment rate at the end of 2020. Without robust investment and strategies that draw in new opportunities, rural Mississippians will remain tethered to exploitative industries and professions without fair pay and protections.

**HEALTH CARE AND COVID-19**

Health care system disinvestment harms all people, especially people of color in the rural South, creating daunting geographic and economic barriers to accessing quality care. Long before COVID-19, rural Mississippi hospitals were at limited capacity and high risk of closure, while broadband issues impeded the effectiveness of telehealth and virtual visits. As the pandemic wears down medical facilities and professionals, racialized health disparities due to COVID-19 further magnify long-standing inequities facing Black and brown people in rural Mississippi.

“You got to be careful, because you never know when you’ll fall and get sick. You know, I thought I could pick up the back of a car. But it takes one day for it to go down. One day I couldn’t even breathe, couldn’t walk from here to there.”

-Black man from Mississippi, Insight focus group
Mississippi has more hospitals at risk of closing than any other state in the country – more than double the nationwide rate. In rural counties, health care budget cuts and staff cuts have led to substantial provider and doctor shortages, little to no specialized care, and untold numbers of preventable hospitalizations. Black and brown Mississippians’ high mortality rates and prevalence of preexisting conditions like heart disease, cancer, and hypertension have left them especially susceptible to COVID-19. The lack of care options forces far too many to fight COVID-19 in isolation and without adequate medical care. With coronavirus driving up the need for more hospital beds, providers, and individualized treatments, nearly half of Mississippi’s 64 rural hospitals remain at high risk of closure, and the majority of counties without a hospital are in rural areas like the Delta.

Austerity in health care funding and capacity, particularly as it relates to treating Black and Latinx COVID patients in rural America, is inseparable from structural racism and ableism. Despite surging hospital closures and more than one out of every five Delta residents lacking health insurance, the state’s leadership has repeatedly refused to expand Medicaid. Instead, they’ve made the program harder to access through onerous work requirements. Such health care roadblocks – especially given the extraordinary lack of work opportunities in rural, isolated parts of the state – threaten the state’s most vulnerable parents and caregivers, who, like the majority of uninsured Mississippians, are more likely to be people of color. By tying one’s health care access to their labor productivity, lawmakers entrench structural ableism and condemn poor Black and brown Mississippians to premature death. By race, Black, Latinx, and Native Mississippians have suffered the worst mortality rates during the COVID-19 pandemic. While racial, health, and workforce inequities placed people of color and rural communities at increased risk of getting sick and dying from COVID-19, state leadership stalled on basic protections like a mask mandate and testing expansion.

CONCLUSION

We need an economic revolution that includes a formal goodbye to austerity politics. The economy improves for all of us when we spend on the people who sit at the margins of our economy. We are the economy, so we must ensure our people are taken care of all over the U.S, particularly those who have been ignored and forgotten like rural Black southerners. As Heather McGhee expertly points out, decades spent fear mongering have resulted in divesting from public goods and infrastructure, which furthers racial and gender inequity and shortchanges all of us in times of need. We must push past thinking of our economy as a zero sum budget game because it causes the immediate discussion to be about how much a policy will cost instead of the true cost of inaction.

Just imagine how different our pandemic response could have been if we had put resources towards building a functioning, equitable health care infrastructure in the U.S, or if we had invested in and valued care work so that our caregivers had a place to turn to during the pandemic, or if we had a healthy social safety net to ensure no one went hungry or without housing. Vaccine outreach would have been easy to plug into existing health care centers. We could have saved so many lives.

Rejecting austerity measures, and the racist fearmongering behind them, will allow for the space, imagination, and resources to build shared prosperity for everyone. The only way for us to overcome COVID-19 and its economic fallout is to equip working people and their families with what they truly need to make it through crisis. This must start with immediate and inclusive monetary relief, a continued moratorium on evictions, and adequately-resourced support programs.
ABOUT THE AUTHORS

**Aisa Villarosa** currently serves as the Senior Director of External Affairs at Yerba Buena Center for the Arts. Previously, she was the Associate Director of Policy and Research at the Insight Center for Community Economic Development. In this role, she applied her advocacy, law, and policy expertise to Insight’s workforce development and economic security initiatives.

**Jhumpa Bhattacharya** is the Vice President of Programs and Strategy at the Insight Center for Community Economic Development. In this role, Jhumpa is a key contributor to the thought leadership of the Insight Center, provides cross-program content support and strategic guidance, and oversees the racial, gender and economic equity and narrative change portfolios. She directly leads work identifying policy and narrative solutions to racial and gender wealth inequities.

**Azza Altiraifi** is the Senior Program Manager for the Campaigns and Partnerships team at the Groundwork Collaborative. Prior to joining Groundwork, Azza was a research and advocacy manager at the Center for American Progress’ disability policy initiative. In that role, Azza spearheaded advocacy campaigns as well as researched and published articles on mental health policy, surveillance, and advancing economic security for disabled people. Azza holds a bachelor’s degree in law and society from American University.

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ABOUT GROUNDWORK

Groundwork Collaborative is a research and policy advocacy organization working to advance a coherent and persuasive progressive economic worldview capable of delivering meaningful opportunity and prosperity for everyone. Groundwork envisions an economic system that produces strong, broadly shared prosperity and power for all people, not just the White, wealthy few. Groundwork works in deep collaboration with economic policy experts, progressive movement leaders, labor leaders, and activists on the frontlines of progressive causes in communities across the country.

ABOUT THE INSIGHT CENTER

The Insight Center drives structural, transformative change to build economic inclusion and racial equity for people of color, women, immigrants and marginalized families in the U.S. through three pillars of work: Research and advocacy, narrative change and thought leadership.
ENDNOTES

2 https://medium.com/economicsecp/what-is-a-dog-whistle-73732304264c
3 https://www.ers.usda.gov/topics/rural-economy-poverty-conditions/demographics
4 Per the latest U.S. jobs report, Black unemployment continues to outpace white unemployment by nearly 200% (10.3% for Black people compared to 5.9% for white people). https://www.bls.gov/news.release/empwis.nr0.htm
5 https://worldpopulationreview.com/states/mississippi-population
6 https://belonging.berkeley.edu/changing-our-narrative-about-narrative
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8 https://www.americanprogress.org/issues/economy/reports/2019/08/06/470913/3-ways-improve-outcomes-african-americans-rural-south/
9 Ibid
11 “Over the past 40 years, union membership has plummeted from 20.1 percent of workers in 1983 to just 10.7 percent in 2017” – a trend particularly prevalent in the south. https://rooseveltinstitute.org/2018/11/01/the-rules-of-the-economy-are-taking-a-tragic-toll-on-women-and-their-pregnancies/
13 https://insightcced.org/mississippi-is-america-report/
16 "The median age spiked a full three years as working age adults voted with their feet and left." https://www.reuters.com/article/us-usa-fed-powell-analysis/in-rural-mississippi-still-waiting-on-recovery-idUSKCN1Q30JH
18 Defining “rural”: Mississippi is a majority rural farmland state. Per the state’s health plan, “rural” is defined as: 1) a Mississippi county that has a population less than 50,000 individuals; 2) an area that has less than 500 individuals per square mile; or 3) a municipality of less than 15,000 individuals. Rule 1.3.1 of the Mississippi State Rural Health Plan. https://msdh.ms.gov/msdhsite/_static/resources/66.pdf “Advocates in Mississippi prefer the definition of rural as “counties with a population of 50,000 or less inhabitants which are not contiguous to urban, metropolitan, or other densely populated areas.” Mississippi Department of Human Services, Division of Aging and Adult Services. FY 2007-2010 State Plan. https://sos.ms.gov/ACProposed/00013303b.pdf . “Older rural people, by almost all economic, health, and social indicators, are poorer, less healthy, live in poorer housing, have fewer options in personal transportation, and have significantly limited access to health professionals as well as community based programs and services”
20 As of December 7, 2020, Native, Black, and Latinx Mississippians were more likely to contract and die of COVID-19 compared to white Mississippians. https://covidtracking.com/race/infection-and-mortality-data#MS
24 Jobs available through the state’s workforce centers lack pathways to good wages and advancement. The state’s Workforce Investment Board identifies jobs paying at least $18 an hour as “opportunity occupations however, Black and Brown workers are disproportionately crowded out of these in-demand occupations. 2018 WIAO Draft, 1.


42 Ibid.

43 Jefferson County is nearly 87% Black and had a 17.2% unemployment rate as on 10/20; Wilkinson County is nearly 70% Black and had a 15.8% unemployment rate in October. https://mdes.ms.gov/media/23357/labormarketdata.pdf


46 https://www.americashealthrankings.org/explore/annual/measure/Overall_a/state/MS Compared to white Mississippans, Black Mississippians are more likely to have adult diabetes and cardiovascular disease.

47 or 48 percent, at “high financial risk

48 Occupational crowding of Black working people out of health care exists, in part, because of a lack of public investment in ensuring that Black students have pathways to pursue health and medical careers. This means that Black people have little to no access to Black health care professionals – which, in turn, is linked to worse care treatment and outcomes. The numbers of Black men applying to U.S. medical school in 1980 and 2015, for instance, are virtually unchanged. https://www.ncbi.nlm.nih.gov/pmc/articles/PMC5909952/

49 Black Mississippians overrepresented in health-related professions such as personal care and health aides get paid substantially less than health professions where white people are overrepresented (dentists, nurses, doctors) Insight occupational crowding analysis, 2020.

50 Across racial groups, Mississippi’s Black population has the highest mortality rate and highest prevalence of hypertension, stroke, diabetes, renal disease, HIV/AIDS, cancer, and homicide. Blacks also have the highest infant mortality rate.

51 or 48 percent, at “high financial risk

52 The state’s health department saw budget cuts by 35 percent in 2016, resulting in a sharp uptick in uninsured residents that continues today. https://www.nytimes.com/2019/03/18/health/trump-hiv-aids-blacks.html?action=click&module=Top%20Stories&pgtype=Homepage


54 Eight of the 15 states with the highest percentage of at risk rural hospitals have not yet expanded Medicaid https://mississippitoday.org/2018/10/26/rural-hospitals-at-risk-posing-real-challenges-to-mississippi-leaders-and-communities/

55 In 2017, the state passed a Section 1115 Waiver to impose a work requirement on “individuals eligible for workforce training opportunities” – a policy supported by the Trump administration and pursued by several other states. “Mississippi Seeks OK for Job Training for Some on Medicaid,” U.S. News, November 15, 2017. https://www.usnews.com/news/best-states/mississippi/articles/2017-11-15/mississippi-considers-job-training-for-some-on-medicaid

56 In 2019, 14 percent or uninsured Mississippans were white; approximately 86 percent were people of color. https://www.kff.org/uninsured/state-indicator/nonelderly-uninsured-rate-by-raceethnicity/?currentTimeframe=0&sortModel=%7B%22colId%22:%22%22Location%22,%22%22sort%22:%22asc%22%7D

57 According to the state’s Division of Medicaid, up to 20,000 currently enrolled low-income parents or caregiver relatives are subject to work requirements, which threaten disenrollment for “non-participation.” https://ccf.georgetown.edu/2018/02/14/mississippi-medicaid-workrequirement-waiver-contains-significant-coverage-losses-for-very-poor-families/

58 “Statewide, Black people account for 48% of COVID-18 cases as of Oct. 4, despite only representing 38% of the state’s 3 million residents. White residents make up 57% of the state population, but only represent 44% of Mississippi’s COVID-19 cases.” https://covidtracking.com/race/infection-and-mortality-data/#MS


60 “Discrimination, health care access, occupation, income and education gaps and housing are all factors that cause people of color to be at higher risk.” https://www.clarionledger.com/story/news/local/2020/10/19/covid-19-mississippi-rural-living-chronic-illness/3702921001/