New Southern Strategies: Employment, Workers’ Rights and the Prospects for Regional Resurgence

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Introduction: Global South

The southern United States has long been dismissed as an economic backwater, a bastion of cheap labor, antiquated industry, and slow growth. This perception dates back to the antebellum period, and has been reinforced by more recent narratives of southern distinctiveness and southern exceptionalism.

The South, however, has never been as insulated and globally disconnected as popular stereotypes would have it. From the cotton exports and the textile production of the long nineteenth century, to the high-tech automotive and aerospace manufacturing of today, the South has been as much a part of the global economy as any other US region, and southern workers have been important contributors in its globalizing networks of production. Far from being a region unto itself, the contemporary South and its labor force are integrated into global supply chains across a number of major industries, and within the US economy the region is a growth pole that increasingly attracts industry, jobs, and investment.

But all is not well in the New South or in its booming local economies. Low-wages and widespread poverty endure amidst growth, even for workers employed in state-of-the-art manufacturing facilities. In many industries, including automotive manufacturing, perhaps the sector most known for providing the quintessential “good, middle-class job,” nonstandard work—a catchall phrase for growing segments of the economy where jobs are temporary, insecure, and often undercompensated—are being ushered in as corporate investment in the region is accompanied by workplace reinvention. Business leaders are quick to tout the rise of nonstandard employment, low rates of unionization, and governments’ increasingly light-touch approach to business regulation as the key components of a strong, dynamic, and, above all, flexible economy. However, it would be prudent to view such statements with skepticism. As Harold Meyerson wryly notes, “‘Flexible’ has a distinct economic meaning: being paid less than what had been the standard for American manufacturing workers. It [has] a distinct geographic meaning, too: Southern.”

In recent decades, the South has come to occupy an increasingly important position within the US economy, as the distribution of employment growth and decline, as well as the conditions under which workers are employed, has undergone profound and lasting changes. Foreign and domestic companies, large and small, have targeted the South for investment, more often than not attracted by the availability of skilled workers who can be employed at low wages. To be sure, increased job opportunities are sorely needed across the region. But the character of job growth often presents its own challenges, as jobseekers must accept new, “flexible” jobs at low pay.

The spread of low-wage work within the United States is no longer subject to debate. Nor is the existence of widespread violations of wage and hour laws as well as health and safety regulations. These are leading drivers of economic inequality in the US, the growth of which also can no longer be ignored. The erosion of labor market conditions for workers in the United States during our current “Age of Inequality,” as Steven Pitts has termed it, can be partly attributed to the decoupling of the historic link between labor productivity and wages. In short, labor has become more profitable but wages have stagnated. From the end of World War Two until the early 1970s, increases in productivity and wages virtually went hand in hand. In contrast, between 1973 and 2013, though worker productivity rose by...
74.4 percent, hourly compensation increased by just 9.2 percent. The results have been widening inequality, the spread of low-wage work, and mounting family economic hardship. Simply put, prosperity is not being shared.

The problems of low wages and family economic insecurity are by no means confined to the South. But as this report will show, the economic changes underway in the region significantly impact broader trends in the United States and they shape the employment opportunities for countless workers across the country. The South has become a site of experimentation and a testing ground, both for corporate strategies of workplace reinvention—through the expansion of contingent work and new forms of production outsourcing—and for workers’ rights activism to increase access to economic opportunities, improve health and safety on the job, insure that labor rights are protected, and redress labor market inequities that plague the US job market.

Focusing on Alabama, Arkansas, Georgia, Kentucky, Louisiana, Mississippi, North Carolina, South Carolina, and Tennessee, this report assesses a range of economic indicators affecting quality of life in the South, examines some of the corporate strategies that are driving these changes, and presents some of the efforts underway in the region to improve economic opportunity through labor organizing and strengthening workers’ rights. This report does not attempt to provide an exhaustive inventory of current labor rights struggles. Rather, it identifies examples of innovative strategies and campaigns, and sets these against key economic indicators and trends in economic restructuring.

The next section considers the South’s long history of industrial attraction and retention activities while highlighting the growth of low-wage jobs in the region, even those in the automotive sector, which traditionally has provided avenues into the middle class. The unionization campaign at the Nissan plant in Canton, Mississippi is highlighted to show how labor campaigns are seeking to improve the employment opportunities for the region’s labor force and the stern opposition they often face. This is followed by an examination of income, unemployment and poverty in the South. Fifty years after President Lyndon Johnson declared a “war on poverty,” residents of southern states, and African Americans in particular, contend with enduring economic hardships. Persistent poverty affects large sections of the region, the legacies of which are limited economic mobility and the deepening of disadvantage. Section 3 considers the changing employment-policy landscape of the South and what it might mean for national politics. Grassroots movements are changing the terms of debate, and in their wake a number of cities have enacted minimum wage laws and strengthened other worker protections. But counterforces have responded to these victories by attempting to preempt local policies through state legislation while also pursuing their own legislative initiatives to curb workers’ rights. The report concludes with a prospective assessment of the next-wave organizing in the South and what it might mean for the national dialogue on economic inequality.
The contemporary economic landscape of the South has been strongly shaped by the legacies of slavery and the plantation-based economy of the antebellum era. Racial discrimination, low wages, and employment in labor-intensive, low-productivity industries, such as textiles, apparel manufacturing, and food processing, meant that the standard of living for workers across the region woefully lagged that of the rest of the nation. From the 1930s onward, the industrialization of the South has followed a familiar pattern: job growth as been in low-wage occupations and it has been highly decentralized, often mirroring the old plantation economy, as branch plants located in rural areas and small towns.

Since the 1980s, the southern United States has experienced a dramatic wave of industrialization, in large part driven by rising foreign investment and increasing numbers of plant relocations, both from elsewhere in the US as well as from abroad. The scale of this industrialization is nothing if not impressive. State and local governments have been heavily involved in promoting the advantages of locating businesses in the South for nearly a century, and enormous amounts of public investment have underpinned these recruitment efforts. The practice of “smokestack chasing”—offering incentives to business that relocate the facilities in the search for lower taxes, wages, and other operating costs—was pioneered by several southern states in the 1920s and 1930s before becoming standard practice across the US by the 1970s. Justified in terms of enhancing local competitiveness, a spate of industrial attraction policies was put in place to lure companies to the region. These included the provision of tax exemptions for relocated plants, the use of financing programs to allow for the low-cost construction of facilities, and the enactment of Right to Work laws aimed at dissuading unionization. Pro-business groups cite the region’s low rates of unionization, lower regulatory protections, and generous financial incentives as driving forces behind recent job growth in the region. This is echoed by economic development officials who trumpet the cost advantages of industrial relocation to the region and the “business friendly” policies enacted by southern states. But this is only part of the story. Job growth due to industrial relocation from elsewhere in the US, as well as from the “re-shoring” of economic activities that previously had been part of successive waves of offshore outsourcing to countries where labor costs are low, is largely being driven by a need for proximity to US markets, declining cost differentials between offshore and onshore locations, rising transportation costs associated with imported goods, and in some cases, consumer backlash against companies that were taking “American jobs” abroad.

These factors have contributed to a marked increase in manufacturing activity in the region. In the years following the enactment of the North American Free Trade Agreement in 1994 and renewals of China’s to most-favored-nation trade status throughout 1990s, southern economies were battered by massive job losses as companies took production offshore, particularly in textile, apparel and furniture manufacturing. More recently, though, these job losses have been partially offset by growth in a range of manufacturing industries, particularly those tied to the aviation and automotive sectors. The region is now home to an array of assembly plants, and parts suppliers, tire manufacturers, and

Nik Theodore, University of Illinois at Chicago · October 2017
steel producers have followed assembly plants into the region.\textsuperscript{6} Even textile manufacturing facilities are returning to the South.\textsuperscript{7}

The cost calculus is changing for firms in labor-intensive industries. In terms of labor costs, the \textit{Economist} reports between 2000 and 2008 inflation-adjusted wages across Asia increased by 7.1 to 7.8 percent annually.\textsuperscript{8} In China, pay and benefits for the average factory worker rose by 10 percent annually between 2000 and 2005 and then by 19 percent annually between 2005 and 2010. Meanwhile, in the United States, inflation-adjusted wages in manufacturing declined by 4.4 percent between 2003 and 2013.\textsuperscript{9} Part of the reason for this decline can be attributed to the financial crisis that resulted in massive job losses during the Great Recession and ensuing jobless recovery. As the \textit{Economist} notes, “High unemployment has brought a willingness to work for lower pay, especially in southern states.”\textsuperscript{10} With manufacturing-sector wage rates converging as pay scales in low-wage countries rise, the South has again become a key locale for investment and job growth.

The automotive industry provides an illustrative example of how industrial restructuring is occurring in the South amid job growth, and what these changes mean for workers there as well as in other regions of the country. The automotive sector is the largest manufacturing activity in the United States, directly employing more than 1.5 million workers and responsible for the employment of several million additional workers involved in allied activities.\textsuperscript{11} Employment in the automotive sector has experienced an impressive rebound from the 2007-09 recession, and is projected to enjoy strong growth through at least 2018.\textsuperscript{12} Much of this growth will occur in the South, which is now home to major assembly facilities operated by BMW, General Motors, Honda, Hyundai, Kia, Nissan, Mercedes, and Toyota. But the National Employment Law Project reports that even as employment in the sector has increased, wages have fallen.\textsuperscript{13} In motor vehicle parts manufacturing, for example, inflation-adjusted wages fell by 13.7 percent between 2003 and 2013. More striking was the drop in wages for the most highly skilled and highly paid workers. During this period, inflation-adjusted wages at the 75\textsuperscript{th} percentile and the 90\textsuperscript{th} percentile declined by 29 percent and 25.8 percent, respectively.\textsuperscript{14} In other words, increasing employer demand for workers—and for highly skilled workers in particular—has not only failed to result in pay rises for these workers, it actually has been accompanied by declining real wages. One reason for this shift in wage rates, according to the researchers, is that as the geography of production changes, the wage rates of newly created jobs are substantially lower than those jobs that have been shed.

In 2000, as Nissan was scouting locations for a new vehicle assembly plant, the Mississippi legislature enacted the Mississippi Advantage Jobs Incentive Program, a cash rebate program designed to attract businesses to the state. Later that year Nissan announced that it would be opening a plant in Canton, Mississippi, a small town located north of Jackson. According to Nissan Canton, the company employs more than 6,000 workers at the facility,\textsuperscript{15} making it one of the largest employers in the state. But, as Good Jobs First has documented, these jobs did not come cheap: Nissan has received in excess of $1.3 billion in state and local economic development incentives, including the largest withholding tax subsidy ever awarded.\textsuperscript{16} In addition, many of those working at Nissan are not permanent employees, but instead are temporary workers hired through staffing agencies. In 2007, for example, of the 5,052 workers employed at the facility, 3,613 were direct hires and 1,439 were temporary employees.\textsuperscript{17} In 2012, starting pay for temp workers was just $12 per hour, and these workers were not eligible to become permanent workers at Nissan for five years.\textsuperscript{18}
Nissan's Canton plant has been the site of a long-running campaign to improve working conditions being waged by labor rights and civil rights organizations, principally the United Autoworkers (UAW) and the Mississippi chapter of the National Association for the Advancement of Colored People (NAACP). The Mississippi Alliance for Fairness at Nissan, a local coalition of community organizations, religious leaders, the Mississippi NAACP, and the UAW, is one of the key coalitions that have been at the forefront of a new wave of activism throughout the South. Building on decades of social justice and anti-racist activism, they are framing labor rights as a core civil rights issue, and across the region these community-labor coalitions have sought to address economic development issues through the lens of workers' rights. In Canton, the UAW's campaign to unionize the facility has brought front and center questions regarding wages and benefits, treatment on the job, the use of temporary labor, and workers' right to organize.

As has been the case in many major unionization drives, the campaign at the Nissan Canton Vehicle Assembly Plant has been protracted and bruising. A 2013 report published by the Mississippi NAACP alleged a series of labor standards violations at the Canton facility, many of which detail how plant management engaged in efforts to interfere with the union representation drive. These efforts have included threats to shutter the plant if a majority of workers vote to form a union. In 2015, the National Labor Relations Board (NLRB) charged Nissan and Kelly Services, the automakers’ temporary staffing provider, with a series of unfair labor practices that included bribing and intimidating workers. Then in 2017, in the run up to the election, the NLRB filed a new complaint against the company for illegally threatening to close the plant should workers vote in favor of unionization and for threatening to fire pro-union employees. Mississippi Governor Phil Bryant also weighed in, stating “If you want to take away your job, if you want to end manufacturing as we know it in Mississippi, just start expanding unions.” Days before the union vote an anti-union post on his Facebook page reinforced this message by attributing Detroit’s economic woes to labor unions (Figure 1). On August 4, 2017, after a long and divisive campaign, Nissan workers voted against unionizing. The election, though credited with galvanizing community support and contributing to a changing debate around economic development priorities, is widely acknowledged as a major setback to union organizing in the South.

Despite the outcome of the election, the campaign in Canton is significant for several reasons. First, it sees the uniting of civil rights and labor rights organizations in the struggle for improved economic opportunity, something that is occurring with increasing frequency across the South. Community-labor coalitions have emerged in cities across the region to tackle problems of low-wages...
and inadequate employment opportunities, often framing local campaigns in terms of the unfinished business, so to speak, of the Civil Rights Movement. Second, it challenges the growing use of contingent labor practices, such as temping, that have dampened wage growth, particularly in manufacturing. It appears that on-call employment, temping, and day labor is on the rise in the South, creating hardships for workers in need of stable employment and family-supporting wages. Job quality—not simply job growth—has been a key concern of workers and advocates throughout the region. Third, it raises questions about economic development priorities and what should be expected when public dollars are used to subsidize businesses. Since the Great Recession, job growth in the South, and across the United States for that matter, has disproportionately been in lower-wage industries. Given that the US economy has been generating jobs in such industries in large numbers, is public investment really needed to subsidize employers of low-wage workers?

Analysis of job growth by the National Employment Law Project found that lower-wage industries accounted for 22 percent of job losses during the 2007-09 recession, but 44 percent of job growth in the first four years of the recovery. As a result, lower-wage industries employ more than 1.85 million more workers than they did at the onset of the recession (Figure 2). The spread of low-wage work has been especially pronounced in southern states. Analysis of data from a 2015 report published by the Alliance for a Just Society shows that an estimated 52 percent of job openings across the South paid wages below $15 per hour, with much higher percentages of jobs paying low wages in Mississippi, Arkansas, and South Carolina (Figure 3).

The figures below reveal a troubling aspect of the post-Great Recession economic recovery: after the deepest recession since the 1930s, the recovery is generating an inordinate number of low-wage jobs, raising the specter of the further spread of working poverty. Moreover, the growth of low-wage jobs in the region can have long-lasting consequences for economic restructuring across the South. Researchers at the Georgetown Center on Education and the Workforce warn that parts of the South are in danger of becoming trapped in a low-wage/low-skill equilibrium in which high-skill, high-wage employers bypass the region thereby reducing the incentive for workers to pursue postsecondary education and training. Should this come to pass, its impacts will be far reaching for the nation as well as the region; as the South’s position as the locale for low-wage employment growth becomes solidified, not only will the composition of the regional economy become further distorted by a preponderance of low-wage work, its “competitive advantage” compared to other regions of the United States as a site of low-wage labor will induce future plant relocations away from relatively high-wage areas of the West, Midwest and Northeast and to southern states. This search for low-wage labor forces would result in a problematic redistribution of employment opportunities in the US, as northern and western areas of the country lose formerly middle-wage jobs through corporate relocations to southern states while much needed high-wage job growth bypasses the South.
Figure 2. Net change in private sector employment (in thousands)

<table>
<thead>
<tr>
<th>Industry Level</th>
<th>Jobs Lost</th>
<th>Jobs Gained</th>
</tr>
</thead>
<tbody>
<tr>
<td>Higher-wage Industries $20.03-$32.62</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mid-wage Industries $13.73-$20.00</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low-wage Industries $9.48-$13.33</td>
<td></td>
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</tbody>
</table>

Jobs lost: January 2008 to February 2010
Jobs gained: February 2010 to February 2014


Figure 3. Percent of job openings paying less than $15 per hour by state

Fifty years after President Johnson called for an “all-out war on human poverty and unemployment in the United States” poverty remains a day-to-day reality for more than 40 million people. For residents of southern states, poverty has been on the rise despite sustained increases in regional employment. According to the Pew Research Center, in 2012, 41 percent of those living in poverty resided in the South. Per capita income in the South has historically lagged that in the rest of the country, reflecting the low wages that are earned by workers in the region, and without question the high level of poverty is partly explained by the prevalence of low-wage work in southern states.

Poverty in the South, as in the United States more generally, disproportionately impacts African Americans. Nationally, the poverty rate among African Americans is more than twice that of whites. But disparities in poverty rates by race across the South are even greater (Figure 4). Improving employment conditions in the South is therefore vital for the reducing poverty and increasing the economic security of African American workers.

Approximately 59 percent of low-wage black workers reside in the South, a region that has a long and painful history of employment exclusions. By the 1930s a “racial wage gap” had emerged with “the virtual exclusion of blacks from whole job categories above the lowest” with “black wage rates typically peak[ing] about where white pay grades began.” Although rigid rules of exclusion have abated in recent decades, the impacts of this wage gap continue to this day and can be seen in the heavy concentration of African American workers in occupations.

Figure 4. US poverty rate compared to African American poverty rate by state

![Figure 4](http://kff.org/other/state-indicator/poverty-rate-by-raceethnicity/)

Note: Figure for Kentucky is not available.

within low-wage sectors of the economy. Sheer economic necessity, combined with limited employment prospects, has conspired to trap many African American workers in low-wage occupations, and even as economic opportunities have broadened with the industrialization of the South, African American workers find themselves entering jobs where corporate restructuring has radically altered the terms of employment in once-prized occupations. Automobile manufacturing in parts of the South is one example, but by no means is it the only one. Factories, branch plants, and other facilities—large and small—have relocated to the South, often in search of low wages, labor flexibility, and locales where policymakers have demonstrated antipathy towards organized labor. The number of jobs may have increased, but the incidence of poverty has not.

The weakened bargaining position of workers across the South has meant that, for many workers, job growth has not led to increasing prosperity. African Americans in the South face a double burden in this regard. Persistently inadequate employment opportunities—whether because of low pay, employer preferences for contingent workers, an increase in the number of jobs that are in violation of core labor standards, or an insufficient number of job vacancies—means that black workers often confront an inhospitable job market within which they have little leverage. Unemployment is a major problem facing African American workers. In the fourth quarter of 2014, the lowest unemployment rate among blacks in the South was in North Carolina where it was 9.7 percent. Although this is the lowest unemployment rate for African Americans it is 3.5 percent above the highest unemployment rate among whites in the region, which was 6.2 percent in Tennessee. Yet, as Lola Smallwood Cuevas has argued,

> The cause of the Black job crisis is not just the economy. It’s the lack of power.

No matter how “strong” the economy, we are disproportionately unemployed and in low-wage jobs. [...] Across the nation, 38 percent of Black workers receive low-wages. It is a lack of power that allows these outcomes to occur and these outcomes destabilize our families and the subsequent poverty is at the root of mass incarceration, homelessness, health disparities and the educational divide.

Black worker organizing, through the National Black Worker Center Project, the Coalition of Black Trade Unionists, Black Workers for Justice, Mississippi Worker Center for Human Rights, union-organizing campaigns in Canton and other cities, and a range of community-based organizing initiatives throughout the region, is aimed at improving economic outcomes, restoring rights in the workplace, lifting worker voices, and redressing injustices that erode family economic security. These efforts are especially important given the extremely low union density in the South and the relatively few avenues for organizing around economic justice issues that have historically existed in the region. Fortunately, in recent years, there has been a groundswell of activism across the South that calls into question patterns of inequality and the violations of labor standards that in part underpins inequalities, whether by race, gender, or immigration status. These efforts frame labor rights as civil rights and human rights, and cast the struggle for economic justice as the necessary extension of the Civil Rights Movement, especially in areas of concentrated poverty.

The United States Department of Agriculture (USDA) has identified persistently poor counties as those where 20 percent or more of the population was living in poverty over the last 30 years (Figure 5). Fully 84 percent of persistently poor counties are located in the South, and southern states were five of the six states with the largest increases in the population living in poverty areas.
To address the staggeringly high rates of poverty and unemployment found in the rural South, the Southern Rural Black Women’s Initiative (SRBWI) has launched its Women in Agriculture project, which engages women in sustainable and cooperative agricultural production. Working in more than 70 rural counties in Alabama, Georgia, and the Mississippi Delta, SRBWI has helped establish a network of women-led and worker-owned agricultural cooperatives, some in counties within the region where poverty rates for African-American women exceed 80 percent. By drawing on the long history of cooperative business development among African Americans in the South, SRBWI has been training women in agricultural-production techniques and developing relationships with end users to ensure that a market exists for the produce that is harvested. This initiative simultaneously achieves employment and business development goals while also expanding the availability of healthy foods for impoverished residents of rural areas. Through assistance to business startups in fields outside of the agricultural sector, SRBWI further fosters entrepreneurship and economic development among women living in some of the most economically disadvantaged areas of the United States.

The Southern Rural Black Women’s Initiative’s projects highlighted above are but a few of the innovative initiatives underway in the South to increase job opportunities and improve economic security for African-American women living in areas of concentrated poverty and high unemployment. By locating employment initiatives in these areas, nonprofit organizations are able to mitigate somewhat the problem of...
structural unemployment, a key driver of inequality. African American women are also overrepresented among low-wage workers, and particularly among workers in growing service-sector occupations. Women and African Americans comprise a large share of such occupations in the US, both of which are projected to grow by 50 percent between 2012 and 2022. Given the demographic composition of these occupations, both will be important growth areas for black women’s employment. However, as Burnham explains, only 40 percent of home health aides and personal care aides are employed in full-time, year-round positions, and wages are low, often paying around $10 per hour. Likewise, wages are low for other caring occupations like domestic work—home-based nannies, caregivers and housecleaners—70 percent of whom are paid less than $13 per hour nationally. Based on these figures, Burnham concludes: “Raising the level of compensation for healthcare support occupations and domestic work is critical to improving the job picture for black women.”

To improve wage standards within the homecare industry, the Atlanta chapter of the National Domestic Workers Alliance is addressing low pay and high turnover among family caregivers by pushing for higher minimum wages and stronger overtime protections. It is advocating for increases in state budgets so that workers providing publically funded care can be better paid, thereby improving the quality of care and the lives of careworkers. Domestic worker organizing in the South has a long history in the region as well as deep connections to the Civil Rights Movement. In many respects, the demands remain the same: dignity at work, fair wages, increased opportunities for training, and the creation of meaningful employment contracts.

As tough as it is to support oneself and one’s family on the meager earnings of the average caregiver, wages are even lower for many workers in restaurants and other eating establishments. Restaurant Opportunities Center United reports that restaurant workers are in eight of the ten lowest-paid occupations, 20.9 percent of restaurant workers nationally live in poverty (twice the rate of the labor force as a whole), and almost half of the families of full-service restaurant workers participate in one or more public-assistance programs. Across the industry, tip stealing, unpaid overtime and other violations of pay laws are common. In addition, large wage differentials by race exist in the industry, with workers of color earning median wages well below those of white workers, and reports of racial discrimination are common. As in many other industries, African Americans employed in restaurants are heavily concentrated in poorly paying positions with nearly 76 percent holding a low-wage job.

The problem of persistent poverty, as defined by the USDA, implicitly acknowledges the intergenerational nature of economic insecurity and the limited prospects for economic advancement that exist in many parts of the United States. Again, the spread of low-wage work and the persistence of a regional occupational profile that is skewed towards low-paying, contingent employment can leave a lasting impact on high-poverty areas. Such a pattern is clearly evident across the South, where intergenerational economic mobility is stunted. In a series of academic articles, Raj Chetty and colleagues examine intergenerational income mobility—the chance that a child will move up in the income distribution when compared to his/her parents. Their findings indicate a clear pattern of relative economic immobility across the South (Figure 6), raising concerns regarding the long-run impacts that arise when regional economic development efforts neglect important issues of job quality and when workers’ abilities to contest substandard conditions are weak.
Despite the decades-long expansion of the jobs base and billions of dollars in public-sector subsidies for economic development, the South remains home to high concentrations of unemployment and poverty. The spread of low-wage work has done little to alter patterns of economic hardship, the basic contours of which have endured for the better part of a century, if not longer. Community organizations across the region continue to confront these conditions and to press for social change. The remainder of this report focuses on two dimensions of community activism: policy advocacy to place a floor under wages and workers’ rights activities to intervene in low-wage sectors of the economy.
With low wages and substandard working conditions persisting despite strong employment growth in parts of the South, the politics of growth has shifted to the state and local levels, often ignited by grassroots campaigns for economic justice. Historic Thousands on Jones Street (HKonJ) in North Carolina is one such initiative. With more than 200 coalition partner organizations involved in issues ranging from labor and workers’ rights, immigrant rights, women’s rights, and LGBT rights to economic development, environmental justice, and community empowerment, HKonJ has united civil society partners around a 14-point agenda for social justice.

Its Forward Together Moral Movement has become a platform for advocating for a range of progressive policies in North Carolina, including expanding access to healthcare, increasing investments in education, and defending the gains won with the passage of the Voting Rights Act. This platform has since been extended across the South. A Moral Week of Action in August 2014 sparked protest actions in southern states such as Alabama, Arkansas, Georgia, Mississippi, North Carolina, and Tennessee, as well as a number of states outside the South, including Indiana, New York, Ohio, Pennsylvania, and Wisconsin. Momentum has been building and it appears that public opinion on key issues, such as teacher pay, is changing.

Activism in the South around issues of economic inequality has been carried out by diverse coalitions targeting policies, such as minimum wage laws, with broad reach, potentially impacting the lives of hundreds of thousands of families. As in other parts of the country, advocates and policymakers are responding to Congressional inaction on a number of key issues and moving policy proposals at the local level. Five states, all in the South, have not adopted a state minimum wage: Alabama, Louisiana, Mississippi, South Carolina and Tennessee. In these states workers in most—but still not all—occupations are eligible for coverage under the federal minimum wage. With the purchasing power of the minimum wage at an historic low and Congress slow to act on the matter, advocates have targeted municipal minimum wage increases as a way to increase worker pay. Under pressure from community-based campaigns launched by organized labor, religious leaders, and community organizations, mayors and city councils in Birmingham, Lexington, and Louisville approved increases in the minimum wage, only to have them rolled back by the Alabama state legislature and the Kentucky Supreme Court. In New Orleans, a living wage ordinance covering city contractors was signed into law and in Greensboro, NC municipal employees are covered by a recently enacted minimum wage. This approach to improving employment standards, however, has encountered a major stumbling block.

Forward Together Moral Movement shares a number of important attributes with many emerging civil-society initiatives underway in the South: (1) it is led by leaders of organizations based in the region; (2) it unites participants across lines of race, gender, nationality, immigration status, religion, and class; (3) it targets key policy issues through a rolling program of advocacy and critique that evolves as local circumstances change; (4) it is explicitly pro-labor; and (5) it is grounded in opposition to systemic racism and driven by deep convictions regarding human rights and social justice.
Organized opposition to local-level policies to raise wages and extend rights to excluded workers has turned to preemption legislation at the state level, where conservative forces often have greater power and influence. Preemption laws prohibit municipal governments from passing ordinances, while also invalidating some policies—like the Birmingham minimum wage law—that already are on the books. Local minimum wage increases, antidiscrimination policies, as well as paid sick-day and equal-pay provisions have frequently been targeted using this now well-established tactic. In 2004, the Georgia General Assembly passed House Bill 1258 whose purpose is “to preempt certain wage and employment benefit mandates by local government entities.”\(^5\) Several years later, the American Legislative Exchange Council (ALEC) created model legislation, and replication efforts swept through many statehouses.\(^5\) Similar measures were adopted in Wisconsin in 2011 followed by Louisiana in 2012. In 2013, Arizona, Florida, Indiana, Kansas, Mississippi, North Carolina, and Tennessee, all passed similar laws, and Alabama and Oklahoma followed suit the next year. Currently, with the exception of Virginia and West Virginia, every state in the South has enacted a minimum wage preemption law.\(^5\)

Minimum wage proponents are not the only advocates turning to the local level to shift the policy landscape. Anti-union forces in states where Democratic legislatures have been able to block legislation that would weaken workers’ right to organize into unions also are directing their efforts towards municipalities and counties. Spurred by recommendations by the Heritage Foundation and an ALEC offshoot, the American City County Exchange (ACCE), policymakers in several Kentucky counties have enacted local “right to work zones” in an effort to undermine union organizing.\(^5\) Right-to-work provisions prevent agreements between unions and employers requiring the payment of union dues by covered employees. These provisions are understood to make collective bargaining more difficult and are typically regarded as being an attack on unionization. Model legislation for the authorization of local-level right-to-work zones has been developed by ACCE and similar policies are being considered in other states, most prominently Delaware, Illinois and Maine.\(^5\)

The impact of the Forward Together Moral Movement and the enactment of divergent policies like municipal minimum wage laws to local right-to-work ordinances, signal a wider change in southern politics, a change that has been having significant ramifications for the national scene as well. Across the region, voters appear to be moving left while state governments are moving right, leading journalist Bob Moser to predict that “the South is about to become the most fiercely contested, unpredictable, political battleground in America.”\(^5\) These developments have national significance since many southern states have become “swing states” in federal elections.

The direction of shifting political winds in the South are no doubt influenced by demographic changes that are underway in the region.\(^5\) Several southern states have consistently been among the top in terms of domestic population in-migration, as residents of other states relocate to the South in search of employment and lifestyle changes. International immigration to the region also is on the rise,\(^5\) no doubt driven by job growth and increasing employer demand. As foreign-born residents increasingly bypass traditional gateway cities such as New York, Los Angeles and Chicago, many are settling in the southeastern US and finding work in services industries, construction, food-processing plants, the hospitality sector, and other low-wage industries.\(^5\) As is the case with many longtime residents, many of these newly arrived workers must contend with substandard working conditions. The activism of new immigrants is evident both in the increasingly diverse coalitions that are forming around economic justice issues
and in the formation of new worker centers and other “alternative” labor groups that organize workers to improve employment conditions. Increasing immigration also has led to the introduction of legislation to restrict immigrants’ access to housing, employment, healthcare and education, suggesting that in the coming years the outcomes of policy and organizing campaigns will be crucial in determining the nature of employment opportunities in the region and who benefits from economic growth.
Next Wave Organizing in the South

Looking across the South it is clear that for patterns of poverty and inequality to be altered, and for southern workers and their families to benefit from an expanded set of employment opportunities within growing economic sectors, new strategies, new economic development objectives, and a new set of investment targets will be needed. Low-road approaches to regional revitalization—those based on worker disempowerment, below-market wages, and contingent work—must be abandoned in favor of innovative strategies that raise the floor on wages and working conditions. The task here is daunting. Workers’ rights advocates must contend not only with labor market inequities but also with a set of economic priorities that place a premium on low pay and flexible employment. Regional competitiveness, the business pundits say, depends on workers’ willingness to accept subpar conditions of employment: an environment in which worker organizing, either through labor unions or independent worker organizations (worker centers), is misrepresented as “anti-development;” where statutory minimum wages and other government-enforced labor standards signal a business-unfriendly environment and thus are an impediment to growth; and where issues of job quality are largely off the table.

A new politics of inequality is being cultivated by the Moral Mondays movement, various community-labor coalitions, and other forms of local activism that directly challenge current public-policy priorities and the ongoing spread of low-wage employment across the region. Low wages in services industries have been the impetus for the Fight for $15 mobilizations that began in New York City but have spread to every region of the country, including the South, where large rallies have been held in Atlanta, Birmingham, Charlotte, Raleigh, and elsewhere. Fast-food workers have been joined by workers in other services industries, including homecare, hotels, and retail to press for higher starting wages. And unions and worker centers in the region have organized workplaces where labor standards have been eroded, including food-processing facilities, agricultural production, construction, restaurants, and caregiver occupations. Workers across the South are standing up to demand change.

That the South has re-emerged as a key site of community-labor activism should not be a surprise. As Bill Fletcher Jr. reminds us, even in the face of organized and determined resistance, The South has been a hotbed of labor struggles since the 1860s. Whether in the form of the spontaneous organizing and strikes by emancipated blacks; or the Knights of Labor that organized across racial lines; or still later the Industrial Workers of the World and their organizing in the Southern ports or the Louisiana timber industry; or during the iconic 1930s, the work of unions such as the United Mine Workers and the Food, Tobacco, Agricultural, and Allied Workers; or in the 1960s and early 1970s, in the movement to organize public sector workers and health care workers—tremendous and often successful efforts have been undertaken by Southern workers to build labor organizations.59

The region is experiencing an upsurge of community-labor organizing, with a distinctly southern flair. These efforts meld the ethos of both the Civil Rights Movement and the traditional labor movement, and independent labor organizations and grassroots groups have joined civil rights and labor leaders
in advocating for a broad-based platform for social justice. This platform is built on concerns over jobs and incomes, but it also is much more than that. It encompasses access to education, healthcare, and housing; the expansion of LGBT, immigrant, and women’s rights; the defense of voting rights and the right to collectively bargain with one’s employer; and changes in public investment priorities. Alternative economic models, such as cooperatives, are being renewed and expanded. And new organizations and alliances are forming, uniting residents across lines of difference.

The South is a vast and diverse region, and the needs of its residents are varied. For this reason, Bill Fletcher writes, the transformation of the South “...will need to be grounded in local struggles that are knitted together through networks and, more importantly, common strategies.” This is precisely what is happening. Worker centers, such as the Northwest Arkansas Workers’ Justice Center, which advocates on behalf of employees of poultry-processing plants; the New Orleans Center for Racial Justice, which has been organizing immigrant day laborers, guestworkers, and longtime residents who have faced hardships in post-Katrina New Orleans; the Adelante Worker Center in the Birmingham area, which unites day laborers, domestic workers, and other low-wage workers to defend labor standards; Workers’ Dignity in Nashville, which has been recovering unpaid wages and pressing for increased pay in the cities booming hospitality industry; and the Mississippi Workers Center for Human Rights, which contests worker mistreatment and unfair labor practices, are just a few of the dozens of community-based workers’ rights organizations that are organizing workers in the South.

Other alternative-labor organizations, such as Raise Up, which organizes workers in fast-food establishments, and OUR Walmart, which organizes employees of the world’s largest retailer, also are active in the region. So too are national community-labor partnerships, such as Jobs with Justice and Partnership for Working Families. In addition, the major worker center networks—Interfaith Worker Justice, National Day Laborers Organizing Network, National Domestic Workers Alliance, National Guestworker Alliance, and Restaurant Opportunities Center United—each are committing significant resources in the South in an effort to strengthen organizing.

Within the traditional labor movement, a number of unions are also focusing efforts on the region. These include the United Steel Workers, which has been organizing transplanted branch operations of major corporations, as well as small and medium-size companies that have relocated from other areas of the country; UNITE HERE, which is organizing workers in hotels, airports, food service, and gaming industry; the Farm Labor Organizing Committee, which is organizing workers in the agricultural sector; United Food and Commercial Workers, which has had a number of long-running campaigns at food-manufacturing plants; and the United Autoworkers, which has launched high-profile organizing campaigns in the region. Civil rights organizations are forging alliances across an unprecedented range of unions throughout the South. These reciprocal relationships see union members supporting broad community concerns and the defense of human rights, while members of civil rights organizations are devoting energies in support of labor rights campaigns.

Through fits and starts and across a widening range of issues, the knitting together of networks and strategies is happening, and tangible victories are being won. Looking across the South, these efforts share a set of core strategies and objectives, a number of which have been highlighted in this report:

1. The promotion of broad-based community-labor coalitions that bridge lines of social difference in the defense of workers’ rights and the pursuit of progressive policy change.
2. A commitment to organizing, so that low-wage workers and others who too often are excluded from decision making and political processes have a recognized voice in those deliberations.

3. A focus on racism and rights, recognizing that African Americans and other persons of color, as well as women, immigrants and members of the LGBT community, disproportionately bear the brunt of discrimination and unfair treatment.

4. The fostering of leadership from within impacted communities.

5. The use of strategic research to better understand industry structures and conditions, including subcontracting practices and supply chains, and to identify points of solidarity with workers elsewhere in the world.

6. The advocacy of public policies that redress inequities in employment, housing, education, and healthcare.

Through the pursuit of these shared strategies and objectives, public awareness of social and economic inequities is helping to shift the national conversation about inequality. But much more needs to be done. The social justice infrastructure of the South—community groups, worker centers, civil rights organizations—remains underfunded. As a result, organizational resources are stretched thin and large sections of the region simply do not have adequate capacity or representation. Targeted investments in social change organizations in the South will be necessary for the expansion of workers’ rights initiatives, antipoverty programs, and progressive policy advocacy that addresses the entrenched inequities that plague the region and the nation.
End Notes:


3 Ibid., p. 30.


10 Economist (2013) “Coming home.”


12 Ibid.


14 Ibid., p. 10.


31 Ibid.


60 Ibid.

New Southern Strategies: Employment, Workers' Rights and the Prospects for Regional Resurgence