

Are Good Jobs Possible in the Deep South?

Report on Anniston, Alabama: A Southern Manufacturing Community

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Introduction

The Southern United States is experiencing rapid growth in heavy manufacturing industries as firms take advantage of the region's business-friendly policy environment, large public incentives, and low wages. The automotive industries alone represent \$13 billion in capital investments in Alabama (Smith, 2019). As the growth of heavy manufacturing industries in the South continues, there has been little research into the costs of public investment in local manufacturing jobs and the benefits to local communities. This paper addresses that gap by presenting original data collected from one manufacturing community – Anniston, Alabama. Media reports have documented injuries and unsafe working conditions across the South resulting in loss of life and limb while politicians sing the praises of economic development and job creation. This report takes an in-depth look at the costs and benefits of the manufacturing industry's growth by surveying workers across one city and residents living in the shadows of large manufacturing plants. The report identifies unsafe working conditions and unequal opportunity. Public investment in manufacturers has winners and losers. In general, the businesses are the winners, but the employees (whose jobs typically do not pay a livable wage) and the general public (whose tax dollars subsidize these companies rather than local schools, libraries, public safety, and street repairs) are the losers.

Historically, heavy manufacturing in the United States was associated with post-war America's economic boom, strong unions, middle-class job opportunities, and vibrant local economies. Many such manufacturers have moved into the U.S. South, but our region has yet to see such dividends. Instead, the region continues to face extreme poverty and inequality. As manufacturing jobs have migrated into the U.S. South, job quality has declined. What were good jobs in traditional, worker-friendly states of the Great Lakes have become bad jobs in the American South. If state and local governments are going to invest the public's tax dollars in subsidizing private corporations, then the general public – the actual investors – should reap some of the benefits. The goal should be shared prosperity. Improving job quality and ensuring equitable access to employment are essential steps to ensure this shared prosperity.

Welcome to Anniston

Located one hour east of Birmingham, Anniston is the county seat of Calhoun County. The city is home to about 22,000 residents and a variety of high-profile manufacturers.

Founded as a company town in the 1870s, Anniston provided housing and amenities for workers at the Woodstock Iron Company (City of Anniston, n.d.). By the end of the 19th century, the city had opened to the public and added several other industries to its borders. It was the first city in Alabama to be lit with electricity and earned the moniker “a model town.” In the early 20th century, Fort McClellan’s opening spurred more growth, employed thousands of residents, and provided critical support to the nation’s defenses.

Anniston is also known as the site of a terror attack on civil rights workers and home to one of the greatest environmental injustices of the 20th century. On May 14, 1961, Freedom Riders testing the enforcement of federal desegregation laws were greeted by a Ku Klux Klan led mob at the Anniston Bus Depot. Local police then escorted the bus to the city limits, where another mob firebombed the bus. As Freedom Riders evacuated the bus, they were met with beatings by members of the mob while highway patrol officers stood by (Equal Justice Initiative, n.d.).

During the same period, a former Monsanto chemical plant deposited cancer-causing chemicals (polychlorinated biphenyls or PCBs) into Anniston’s soil, water, and air earning the town a new moniker “Toxic City” (Barron, 2016). PCBs were used in the production of insulation at the plant, and although it was banned in 1979 as a probable carcinogen, Anniston’s air, water, and soil remain contaminated. Former workers and residents reported illnesses - ranging from headaches and nosebleeds to rare cancers and major organ illness (Barron, 2016). In 2003, Anniston residents won a \$700 million settlement against Monsanto, a groundbreaking case in the struggle for environmental justice (Barron, 2016; O’Hagan, 2018).

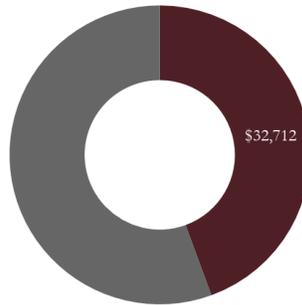
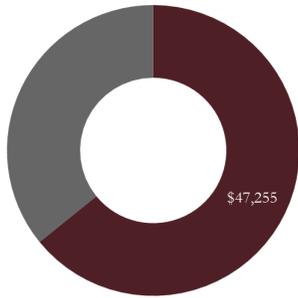
In addition to the lingering issues of environmental injustice, Anniston suffers from many of the challenges faced by the state and region as a whole - high rates of poverty, low employment, low median incomes, racial and gender discrimination. Most residents of Anniston struggle to make ends meet. Anniston’s median household income (\$36,051) is less than half of what the Economic Policy Institute estimates is necessary (\$73,653) for a family of four in the Anniston area to attain a “modest yet adequate standard of living” (Economic Policy Institute, 2018). Black and white Anniston residents’ income gap is stark - median household income for white Anniston residents was \$52,582, and while the median for Black households was just \$32,712 (U.S. Census Bureau, 2020). The figures below demonstrate the gap between median incomes for Anniston residents and the EPI’s suggested family budget. While no racial group is doing especially well, Black residents have a particularly large gap.

Median Household Income as a Percent of EPI's Suggested Family Budget

Source: American Community Survey and Economic Policy Institute

All Anniston Residents

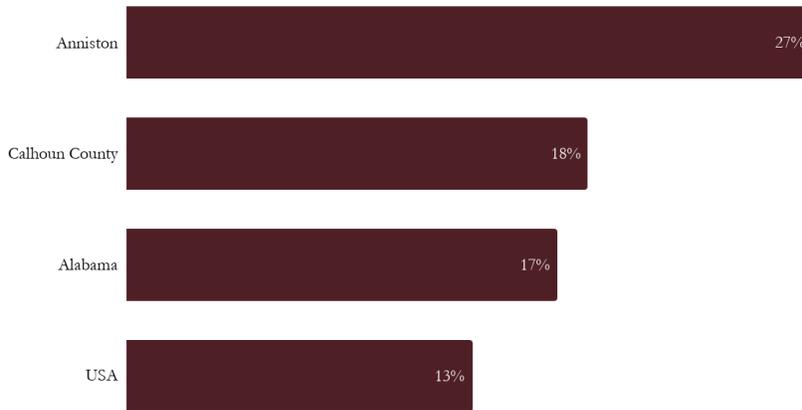
Black Anniston Residents



Anniston and Calhoun County continue to struggle with high poverty rates, lagging behind the state and the Country. According to the American Community Survey, Anniston’s poverty rate is twice that of the nation and ten percentage points higher than the rest of the state.

Percent of Population Living Below the Federal Poverty Threshold

Source: 2019 American Community Survey



Like much of the state, Anniston leaders have focused on attracting global manufacturers to the region as a remedy for low incomes and high poverty rates. Incentives designed to attract jobs and investment to the region have not pulled the region out of poverty and into prosperity. Since 1993 Alabama has spent nearly \$5 billion in corporate subsidies (Good Jobs First, 2020). Former state lawmaker Patricia Todd writes that “the public, and many policymakers, seem to be unaware of the cost and impacts of these subsidies”(Todd, forthcoming). A lack of transparency results in limited accountability and little community oversight. In Anniston, the city’s Industrial Development Board deploys various incentives to attract and retain major employers. For example, in 2017 the Board approved \$631,000 in tax abatements to support New Flyers

expansion plans that included creating 21 new jobs (Burkhalter, 2017). These city incentives were in addition to county and state incentives for the project. In all, the people of Anniston, Calhoun County, and Alabama granted \$1.4 million in incentives to New Flyer for a project that created 21 new jobs with a reported average wage of \$36,700 (Burkhalter, 2017).

Economic development programs have successfully attracted major manufacturers to Anniston. Approximately 23% of Anniston workers are employed in the manufacturing sector - more than twice the national average (10%) (U.S. Census, 2019).

Community Profiles, Anniston and Calhoun County
 Source: American Community Survey 2019 5-Year Estimates

	Anniston	Calhoun County
Total Population	21688	114618
Median Age (years)	40.8	39.6
Median Household Income	\$36,051	\$47,255
Unemployment Rate	10.10%	8.10%
Percent in Poverty	26.60%	17.90%
Percent employed in manufacturing	23.05%	17.74%
White/Caucasian	43%	73.7%
Black/African American	52%	20.8%
Asian	1.1%	0.9%
American Indian and Alaska Native	0.2%	0.3%
Other	0.2%	1.9%
Two or more races	3.4%	2.4%
Latinx/Hispanic	2.5%	3.8%

Today Anniston is home to several manufacturers employing workers from around the region: Eastman Chemical operates on the former Monsanto site; New Flyer Industries operates a bus manufacturing plant (New Flyer of America) and a bus parts manufacturing plant operated by its wholly-owned subsidiary Carfair; International Automotive Components builds parts for Honda and Nissan. While these companies employ thousands of Anniston workers, their headquarters span the globe: New Flyer is based in Winnipeg, Canada; Eastman Chemical in Kingsport, TN; and International Automotive Components is based in Luxembourg, northwestern Europe.

Manufacturing Jobs On The Move

Much of Alabama's manufacturing boom can trace its roots to a single moment. In 1994, German automaker Mercedes Benz announced the creation of a manufacturing plant in Vance, Alabama after receiving \$250 million in public incentives, roughly \$165,000 per job created (Kim, 2018; Moretti, 2013). Soon thereafter, other foreign-owned companies Honda, Hyundai, and Toyota followed suit, opening production facilities across the state. By 2019, Alabama topped the list of states receiving foreign direct investment, most of that in the transportation manufacturing business (Institute for Business Value, 2019). Alabama makes more than cars - busses, planes, medical equipment, chemicals, and much more are made in the state. In 2019, one in seven Alabama workers (14.52%) were employed in manufacturing industries (U.S. Census Bureau, 2020). Alabama has "transformed itself from a 'cotton state' to an 'auto state'" (Kim, 2018, p. 84).

Manufacturers have moved into the U.S. South in search of low-cost labor and a political climate hostile to unions and workers' rights (Rubenstein, 1992; Storper & Scott, 1990). Alabama is a state with a constitutionally embedded "right to work" provision set up to deter the formation of unions. The National Employment Law Project explains right-to-work laws as "crippling the ability of unions to stand up for workers and by pitting workers against each other. By law, unions must represent every worker in a unit equally. But in right-to-work states, where unions are forbidden from requiring equal dues from their members, some workers reap the benefits unions deliver without sharing the costs, instead passing the buck to coworkers to foot the bill for all the union does" (National Employment Law Project, 2017).

The rise of southern manufacturing, especially in the automotive and related industries, came about as domestic manufacturers faced increasing competition from global companies and shifting consumer demands. In the 1980s, American car manufacturers were saddled with overcapacity and faced declining demand, while demand for imported vehicles increased (Rubenstein, 1992). American consumers preferred smaller and more environmentally friendly vehicles, a trend to which American manufacturers were slow to adapt. Japanese car companies opened American factories to meet this growing demand, and American companies looked to plant relocation as a cost-savings measure. The U.S. South, with low prevailing wages and a low skilled workforce, fit well with the flexible production models adopted by major manufacturers (Rubenstein, 1992; Storper & Scott, 1990). Top executives of U.S. auto companies based in northern cities and Japanese-owned companies decided it was more profitable to open branch production facilities in the South.

Cities, counties, and the Alabama state government have invested billions in incentives to attract these branch facilities to their jurisdictions. Since the 1990s with the announcement of the Mercedes Benz facility, the state has invested nearly \$4.5 billion in corporate subsidies and incentives (Good Jobs First,

2020; Moretti, 2013). Alabama officials hoped to use incentives to act as a “big push,” attracting many auto factories to make the state a hub of car manufacturing (Moretti, 2013). Economists call this “agglomeration effects,” when a geographic area becomes known as a hub for a particular industry like Detroit once was for the car industry and Los Angeles for the entertainment industry.

Such large-scale public investments have historical precedence in the region home of the Tennessee Valley Authority. In the 1930s, the TVA sought to pull a “desperately poor region out of poverty” by bringing electricity and new industry to the region (Moretti, 2013, p. 200). These efforts did not lift the region out of poverty or dramatically improve economic conditions relative to the rest of the country. One reason is that such investments attract new workers to the region, drawn by job openings, which offset increase in demand for employment (Bartik, 1991; Kim, 2018). In recent decades, state and local governments throughout the South, including Alabama, have handed billions of public tax dollars over to big corporations in the hope of jump-starting a robust economy. But all of these public dollars have not lifted most Alabama workers into the middle class or improved the economic health of communities, which barely have the funds necessary to provide essential public services like good schools, public safety, parks, and playgrounds.

The failure of such large public subsidies to lift the region out of poverty is a reminder of the challenge in Alabama. Investment atop the region’s racial caste system and poverty has not changed these conditions. Racial animus has suppressed wages and incomes for all racial groups. In a speech at the conclusion of the Selma to Montgomery march, Dr. Martin Luther King, Jr. explained how racial division suppressed wages for all workers.

You see; it was a simple thing to keep the poor white masses working for near-starvation wages in the years that followed the Civil War. Why, if the poor white plantation or mill worker became dissatisfied with his low wages, the plantation or mill owner would merely threaten to fire him and hire former Negro slaves and pay him even less. Thus, the southern wage level was kept almost unbearably low (King, 1965).

Racism continues to be a barrier to organizing, class consciousness, and pro-worker policy interventions that would benefit all workers. This reality echoes Woods & Gilmore’s warning of a “false belief that industrial growth would eliminate racial inequality,” a sentiment at the center of many business recruitment drives in the American South (2017, p. 205).

While racial animus suppresses wages, it can also be a barrier to economic development. Some firms are discouraged from investing in the region due to the legacy of racial injustice. One development officer in North Alabama explained that the region’s “last name” (meaning Alabama) was a hurdle when recruiting international firms. While low wages attract firms, the regions’ reputation can also serve as a deterrent.

Although jobs and investments have poured into the state, incomes remain low, poverty high, and racial inequalities have persisted in terms of wages, family income, wealth, schools, and other conditions that have proven intransient. One reason for this is the quality of jobs in Alabama's factories.

Job Quality in Southern Plants

While manufacturing jobs hold a unique place in the American imagination for their historical role in creating the middle class, a manufacturing job today is no guarantee of middle-class comforts, job security, or fair wages and benefits. A 2014 National Employment Law Project report found a large gap between the public's perception of high-quality manufacturing jobs and the reality of mediocre manufacturing jobs. Wages across the manufacturing sector are now in the bottom half of all jobs. One in four manufacturing workers earns less than \$12 an hour, and real wages for manufacturing jobs have been declining faster than for workers as a whole (Ruckelshaus & Leberstein, 2014).

The geography of these declines is noteworthy. In Alabama, workers in the automobile manufacturing sector earn almost \$10,000 less than their Michigan counterparts (U.S. Bureau of Labor Statistics, 2019). In other words, an auto company that opens a 700-worker manufacturing facility from Michigan to Alabama saves \$7 million on labor costs alone. As jobs leave the industrial and union strongholds of the Great Lakes, the relocated jobs in the American South come with lower wages and fewer benefits.

The decline in job quality, even within the manufacturing sector, is part of broader economic restructuring and the resulting polarization of job quality. That means a small number of high-quality good jobs and a much larger number of low-quality bad jobs (Kalleberg, 2011; Moss & Tilly, 2001). Forces behind this polarization range from social and economic cultural shifts to political deregulation, lack of enforcement, and a general corporate-oriented retrenchment, which shifts the risks onto workers (Bernhardt et al., 2008; Kalleberg, 2011; Moss & Tilly, 2001).

In a pathbreaking analysis of America's changing workforce, Arne Kalleberg (2011) identified the key dimensions of job quality. These are summarized in the table below. The good jobs/bad jobs framework is a useful conceptualization of the quality of jobs in different economic sectors and in different communities. This understanding of job quality is useful to understand the quality of Alabama's manufacturing jobs.

Wages and benefits are the best-known indicators of job quality. Worker autonomy enables employees to have a voice in shop floor decisions, to identify issues, and brainstorm solutions with supervisors and coworkers. Scheduling flexibility is essential for working parents, especially working mothers upon whom the bulk of childcare responsibilities fall. Previous studies have found that mothers with difficulty finding childcare are less likely to be employed (there is no such impact on fathers employment) (Schochet, 2019).

Another study found 1 in 10 women surveyed had been fired because of childcare issues (Moss & Tilly, 2001).

High Quality or Good Jobs	Low Quality or Bad Jobs
Relatively high wages with growth potential	Low wages without growth potential
Adequate fringe benefits (health care, retirement, etc.)	No fringe benefits
Workers have a degree of autonomy and control over their work	No worker autonomy or control of their work
Workers have a degree of flexibility in scheduling	No flexibility in scheduling
Workers have some control over the termination of a job	No control over the termination of a job

Existing reporting on the state of manufacturing work in the American south indicates that employers are taking the low road and creating many bad jobs and a few good jobs. A 2017 Bloomberg article provides a grisly review of the consequences of unsafe, low road employment strategies in Alabama automotive plants: Nathaniel Walker spent months recovering after falling into a vat of acid; Reco Allen lost his arm when it was crushed in a heated press for more than an hour; and Regina Elsa was 20 years old when she was crushed against a dashboard and impaled by welding tips - Regina died as a result of her injuries (Waldman, 2017). Other reporting highlights the barriers to employment Alabamians of color face entering this labor market (Crowder et al., 2018) and the poor working conditions in foreign-owned manufacturing facilities, especially as compared to labor conditions in their home countries (AFL-CIO, 2019).

This project adds new depth and dimension to the understanding of manufacturing work in the South by surveying workers from inside the plants and residents outside the plants. Together this data set allows analysis of job quality in Anniston’s manufacturing sector with the tradeoffs experienced by those living nearby.

Methodology

To assess job quality, workplace experiences, and community impact of investment in manufacturing employment, we conducted a scientific survey of Anniston’s workers and community residents. Two broad research questions at the core of this project are: (1) What are worker experiences inside these manufacturing plants; and (2) What are the needs and tradeoffs experienced by local communities as manufacturing employment rises?

This paper brings together findings from two original surveys distributed to Anniston community members and workers at manufacturing plants in the city.¹ These are separate surveys, the first distributed to workers in Anniston’s manufacturing facilities and the second distributed to residents (but not current employees) of communities adjacent to Anniston’s manufacturing sites. The data in this paper is part of a more extensive study of manufacturing communities in Mississippi and Alabama.

A variety of respondent recruitment strategies were employed - from door knocking to targeted Facebook ads and newspaper advertisements. Incentives were offered to workers who completed the survey in the form of \$10 gift cards. The survey questionnaires are available online through the Qualtrics Platform and respondents were directed to these sites through the research project’s website. The survey data in this paper was collected from July to December 2019.

This paper presents findings based on respondents from each of the previously mentioned Anniston manufacturers: 99 workers at the New Flyer bus manufacturing plant, 12 workers at Carfair components (a wholly-owned subsidiary of New Flyer), 12 workers at International Automotive Components, and three from Eastman Chemical (total of 126 worker respondents).

According to public reporting, New Flyer’s Anniston plant employs 700 people giving these responses an approximate response rate of 14% for that facility (95% confidence level with 10% margin of error) (Nunnally, 2019). Responses from the remaining factories are too low to highlight their results independently but provide important context.

For the community perspective, we collected 50 surveys from residents of Anniston and neighboring Oxford, Alabama. Anniston’s current population is 21,688 and Oxford’s population is 21,232 (U.S. Census Bureau, 2020). The community survey data is not statistically representative of these communities but is designed to provide insights into the attitudes and perspectives of this group.

Respondent Profiles

The Respondent Profiles table below provides an overview of respondent demographics. Out of 126 worker respondents, 63% are white, 54% are males. Of the 50 community respondents, 46% are white, 50% are Black, and 68% are females.

¹ The survey instruments were designed specifically for this project, using best practices in survey methodology. The community survey is based in large part on the Health Concerns Index from University of Kansas (1995). Copies of the survey instruments are available upon request.

Worker Survey Respondent Overview		Community Survey Respondent Overview	
Number of Respondents	126	Number of Respondents	50
Gender	Male (54%) Female (42%) Other/Decline to State (3%)	Gender	Male (33%) Female (67%) Other/Decline to state (0%)
Race	White (63%) African American (27%) All other races (10%)	Race	White (46%) African American (50%) All other races(4%)
Education	Less than High School Diploma (2.4%) High School Diploma/GED (45.2%) Trade or Technical (8.7%) Some College (22.2%) College Degree (8.7%)	Employment Status	Retired (18%) Not employed (12%) Disabled, not employed (6%) Employed part time (22%) Employed full time (41%)
Employment Status	Full time (95%) Parttime (5%) Permanent employee (80%) Temporary employee (20%)		

Findings

Workers in Anniston’s manufacturing facilities struggle to make ends meet and provide for their families. Residents of neighboring communities are also struggling. Their fates are intertwined. Both groups confront economic problems due to low pay and benefits, and both groups deal with health and public health problems due to the severe pollution in the area. Anniston’s public services – parks, playgrounds, libraries, public safety, schools, and others – are underfunded in part because of the public subsidies (some call it “corporate welfare” or “corporate giveaways”) given to these large multinational corporations to entice them to locate in Anniston. Despite decades of investment to attract businesses, the community struggles, and workers report low job quality. While everyone reported a struggling community, Black residents and workers reported deeper struggles and worse working conditions than their white counterparts. This report’s findings speak to the need to evaluate the community’s investment in corporate subsidies and the lack of worker and community voice in the changing economy. Findings from the worker survey are presented, followed by a review of community survey responses.

Worker Survey Findings

The survey of 126 manufacturing workers in Anniston, Alabama documents companies' workplace practices that put workers, communities, and consumers at risk of poverty, unsafe workplaces, and unhealthy environmental and public health conditions. Anniston manufacturing workers experience low wages, long hours, and unpredictable schedules - a triple threat to working families. This is all underscored by survey data highlighting racial discrimination on the shop floor and in the hiring queues. Workers' fear of retaliation prevents them from speaking out and advocating for change.

Wage and Hours

Anniston's manufacturing workers reported that their wages are modest, their hours are long, and their schedules are unpredictable. Respondents reported an average hourly wage in Anniston's manufacturing facilities of \$18.62 an hour. This falls short of the Calhoun County living wage necessary to sustain a family, ranging from \$21.84 for an adult and one child to \$23.94 for two adults and two children (Glasmeier, 2020). At the New Flyer plant, average wages were slightly higher than the city average, \$19.58 an hour. However, the average wage for white New Flyer workers is \$20.31 and for Black New Flyer workers is \$17.16 – a \$3.14 an hour wage gap. As a result of this wage gap, the average white worker at the New Flyer factory earns \$6,500 more a year than the average Black worker at the same factory.

Nearly all (95%) of the Anniston manufacturing workers who responded to our survey worked full time at their respective plants. Half (51%) of respondents reported working more than 40 hours. New Flyer workers, in particular, complained about forced overtime. Black workers are more likely (33%) to work more than forty hours in a week than white workers (12%).

More than two-thirds of Anniston worker respondents reported that they had a regular schedule - one that does not change from week to week. But for the one in three workers whose weekly schedule did frequently change, most (65%) received advance notice only within a few hours before shifts, giving them little time to rearrange personal lives like coordinating childcare.

In addition to a racial pay gap, there is also a racial scheduling gap. Almost three quarters (71%) of white workers, compared to only 56% of Black workers have a predictable schedule. According to the survey, 44% of African American New Flyer workers, compared with only 8% of white New Flyer workers, reported that the company changed their schedules on a weekly basis.

Health and Safety

While workers take pride in their work, many reported workplace practices that put workers and consumers at risk. Twelve percent reported being seriously injured at their current employer. Roughly half of them (6% of all workers) had been seriously injured more than once while working at their current job. Among New Flyer workers, Black workers were almost twice as likely to report being seriously injured - 19% among Black workers compared with 11% of white workers.

The companies' unsafe workplace practices extend beyond the shop floor. Nearly one in five (19%) New Flyer workers reported seeing a product manufactured in a way that could put the consumer at risk. A male respondent working at New Flyer described production management as "move the product, fix [it] later." Another worker pointed to New Flyer management's focus on the automated quality and efficiency tracking system, Andon, as contributing to inefficient and possibly unsafe production practices. The worker wrote that the "andon isn't effective because some employees are made to complete their work even if there is a cascade issue." A cascade issue refers to problems resulting in incomplete or faulty products continuing down the production line without addressing those issues, often resulting in compounding problems. The worker goes on to explain that "management wants it to look good on paper. Therefore some employees have to take their install back out, and then reinstall. Causing double work plus keep up on the line." Such double work, rushed work, and multiple reinstallations result in risks for workers and consumers.

Forty percent of New Flyer workers said they were afraid to report such production safety issues because they feared that their supervisors and managers would retaliate against them.

If Anniston's workers were not afraid of retaliation, they might file formal complaints about these workplace and product safety problems with their managers or an outside agency, such as the federal Occupational Safety and Health Administration or the Equal Employment Opportunity Commission. However, few respondents reported these problems because they feared retribution. Among all workplaces, 44% of the workers knew of problems serious enough to file complaints, but they chose not to do so out of fear of retaliation. At New Flyer, 43% of workers were in this situation. Thirteen percent of these New Flyer workers expressed a fear of being fired for speaking up and filing the complaint.

Black New Flyer workers are even more likely than white workers to suppress a complaint about a serious workplace issue. Among Black workers at New Flyer, 57% reported such fears of blowing the whistle on corporate abuses at work, while 40% of white New Flyer workers expressed these fears.

The workers' fear of retaliation was not unfounded—over half (52%) of New Flyer workers that reported filing a complaint later experienced retaliation. Retaliation ranged from being given more work, hazardous

work assignments, and being unfairly targeted by supervisors with small issues that would go in the worker's file and be held against them in the future.

More than one quarter (29%) of Anniston workers – including 22% of New Flyer workers - reported not being able to take a sick day at their job. Forty percent of New Flyer respondents who did take a sick day reported that the company punished them for doing so – for example, the company gave a worker a demerit or a point in their file. Points on file may result in termination or disciplinary action. One worker reported similar issues when dealing with a family medical emergency. “I'd get points or partial points for leaving with issues having to do with a sick” family member.

Nearly all (96%) Anniston manufacturing workers reported that their employers offered health insurance. However, many described that despite paying a significant part of their paycheck for their health insurance, the quality of the coverage was inadequate to meet their families' needs.

New Flyer workers repeatedly mentioned their concerns about the company's health insurance plan. They described their insurance as: “cost is good, quality is horrible” or “cheap, the plans have you paying more out of pocket” and even “high cost, low quality, just enough to say you have insurance.” Some workers reported that the current company health insurance plan is “not as good as it used to be.”

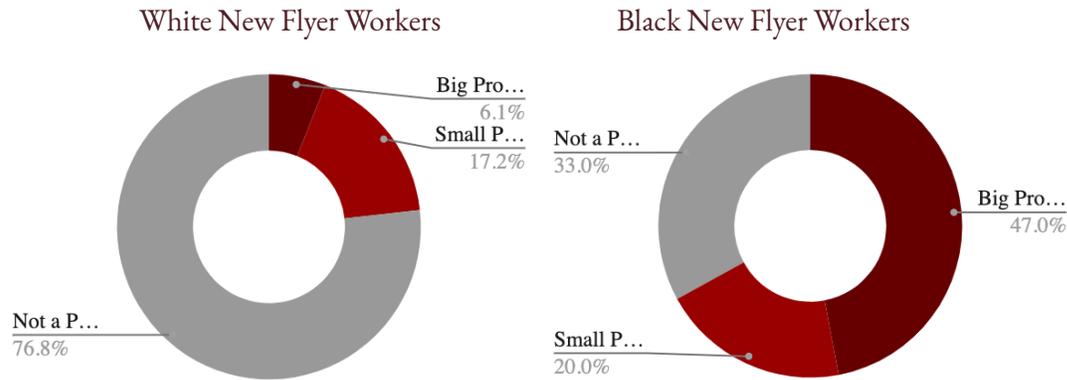
Equity and Discrimination

In general, workers are not likely to report their employers' race and gender discrimination to supervisors or government agencies as a problem at their workplaces. But that does not mean that such discrimination does not exist. In fact, the survey reveals that unfair and unequal treatment based on race and gender is somewhat commonplace. Black workers are far more likely to report discriminatory practices at work. With a few exceptions, white workers did not report having experienced or witnessed discriminatory practices by their employers.

Among Anniston manufacturing workers, 42 % believe that racism is a problem at their plant. Almost one-fifth (19%) believe it is a “big” problem, and 24% think it is a “small problem.”

Black workers have both experienced and witnessed on-the-job racism more than white workers. Among New Flyer workers, less than a quarter (23.3%) of white workers, but more than two thirds (67%) of Black workers think racism is an issue at work. Among white New Flyer workers, 6.1% think that racism at work is a “big” problem, compared with 47% of Black New Flyer workers.

Racism at Work

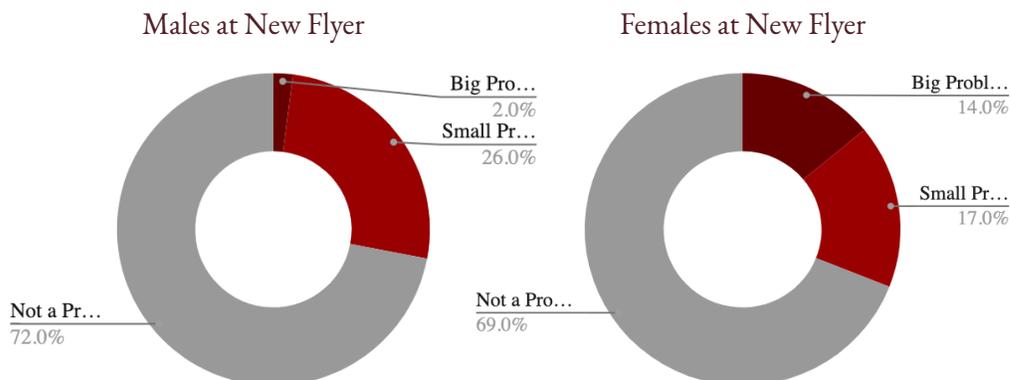


The survey asked workers what kind of racial discrimination they experienced or witnessed at work. New Flyer workers reported 26 experiences of race-based discrimination at work (some workers reported two or more instances of discrimination). The three most common experiences are earning less than someone doing the same job, feeling isolated at work because of your race, and receiving less support from management because of your race. Black workers and other workers of color, who represent 32% of New Flyer respondents, reported nearly two thirds (65%) of these racist incidents. White workers, who represent 68% of New Flyer respondents, reported 35% of these racist experiences.

Black workers are also more likely than their white counterparts to witness discrimination in the hiring and job placement processes. At New Flyer, 38% of Black workers, but only 5% of white workers, witnessed this form of discrimination.

Male and female respondents reported the reality of gender discrimination at the workplace. Generally, about one quarter (28%) of workers identified gender discrimination as an issue. Among male New Flyer workers, 28% said that the company engages in gender discrimination, but only 2% said it was a “big” problem. Among female workers, 31% reported the existence of gender discrimination, and 14% said it was a “big” problem. In other words, Black workers and women workers are more likely to experience and witness discrimination at work.

Gender Discrimination at Work



New Flyer workers were aware of discrimination in both hiring and job placement. Many noted that getting hired and promoted at Anniston's auto manufacturing plants is as much a matter of who you know, as it is a matter of qualifications, skill, and experience. Multiple respondents referred to a "good old boy" system of management at New Flyer, which worked against the fair treatment of workers. One white male respondent wrote that "If you are not a part of the good ol' boy system, then there is no way you'll ever manage to better yourself within said company, they can say all they want how there is not buddy buddy system but there are several walking examples" at New Flyer.

Another respondent wrote that the hiring system at New Flyer is basically "friends giving friends jobs they don't deserve." A third respondent reported that because he "didn't fit a certain type in the company" he was not promoted. It is unclear if the last respondent was referring to race, gender, sexuality, or some other traits, but the result is that workers believe that Anniston's manufacturing companies engage in gender and race discrimination, as well as personal connections not linked to experience or skill, in making hiring and promotion decisions.

Workers were asked if they agreed with the statements "I am proud to be working for my current employer" and "my opportunities for advancement are high." In both cases, white New Flyer workers felt more positive towards their job than Black workers at New Flyer. Three quarters (76%) of white workers are proud to work at New Flyer, but only 53% of Black workers are proud. Moreover, while neither group had high hopes for advancement, fewer Black workers than white workers had such hopes. About half (53%) of white workers agreed that they have opportunities for advancement compared to 43% of Black workers.

In general, many of Anniston's manufacturing workers believe the companies do not treat workers fairly. The working conditions are often unsafe, many Black and women workers face discrimination, and workers do not believe that their concerns or ideas are taken seriously. One New Flyer worker described the company's ethos as "Do what you are told. Do not offer ideas ... You are a valued number and not a person."

Community Survey Findings

While the worker survey highlighted many of the challenges experienced inside the plant, the community survey responses point to the often harsh realities for families outside of these manufacturing facilities, most of whom do not work in these factories. Despite the prevalence of manufacturing jobs, the community continues to face deeply entrenched problems that harm residents' well-being. In a self-assessment of their communities, many respondents reported that they face financial hardship, limited job opportunities, and an unhealthy environment. White and Black community members alike reported

these problems, but Black respondents were more likely to do so. Life in the shadows of Anniston’s major manufacturing facilities is a daily struggle.

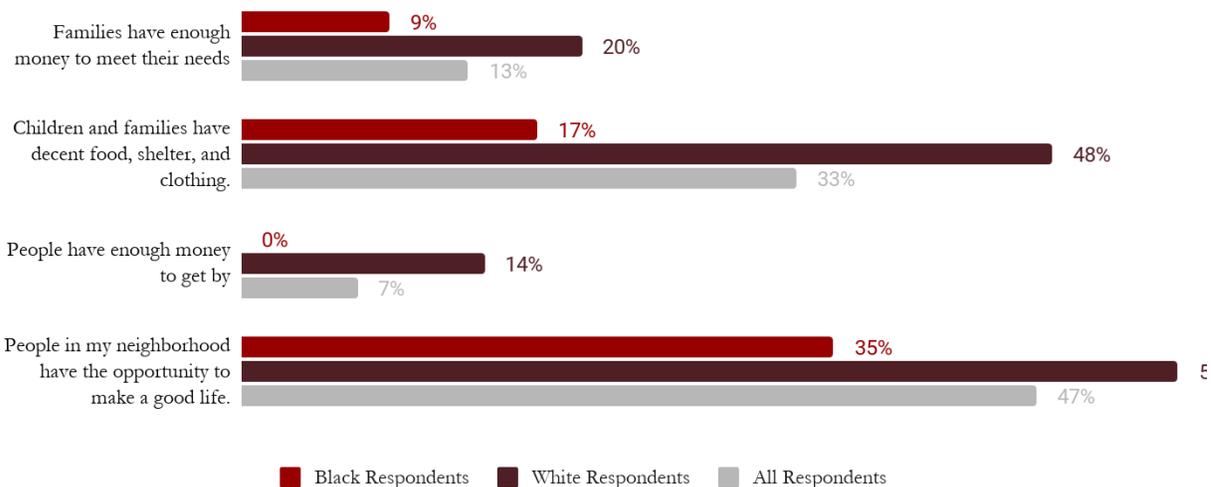
Community Perspectives

Over the past two decades, state and local government officially offered generous taxpayer subsidies to several multinational companies to open factories in Anniston in order to create jobs and improve the local economy. Did that strategy work? According to this scientific survey, many local workers and residents believe that the answer is “no.”

In spite of major employers in the area, respondents in Anniston and Calhoun County reported high levels of economic hardship in their communities. Respondents were asked the degree to which they agree or disagree with a series of statements about the community’s needs, including poverty, employment, infrastructure, and public services such as schools, parks, and playgrounds. The complaints were universal. The data show that while white and Black respondents alike struggle in numerous ways, Black residents are struggling more.

Economic Hardship in the Community

Percent of respondents that “Agree” or “Strongly Agree”

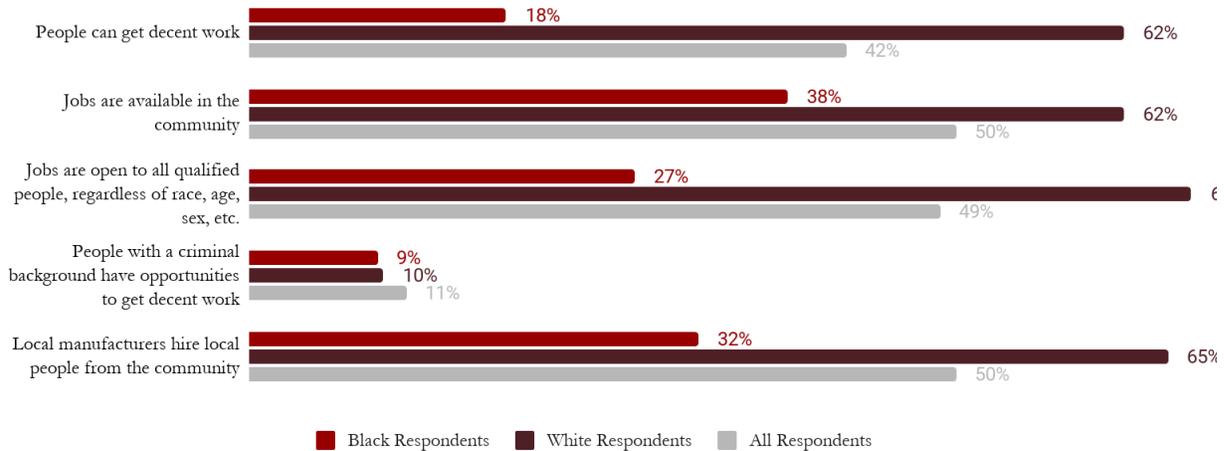


A series of questions related to economic hardship paints a bleak picture of families struggling to get by in the communities surrounding Anniston’s major manufacturers. Just one third (33%) of respondents believe that Anniston’s children have adequate food, shelter, and clothing or that people in the communities have enough resources to make ends meet. Less than one in ten (9%) of Black respondents reported families having enough money to meet their needs. Not a single Black respondent agreed with the statement “people have enough money to get by.” Less than half (47%) of community respondents believe

that people in the Anniston community have the opportunity to make a good life. The community is struggling today and will likely struggle in the future.

Employment Opportunities

Percent of respondents that “Agree” or “Strongly Agree”

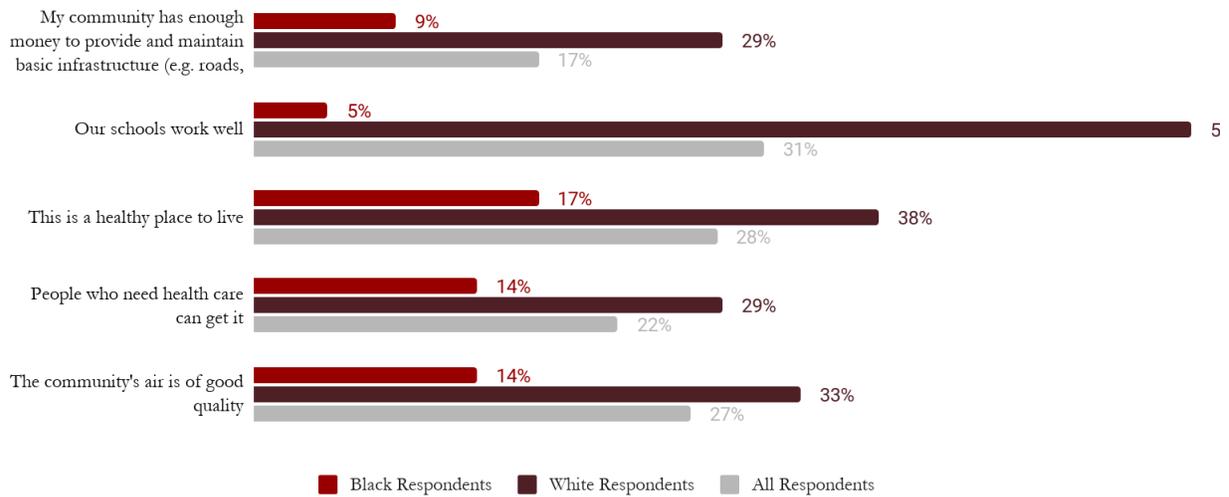


Good jobs provide pathways to economic stability, but few of Anniston’s jobs meet that standard. Half (50%) of Anniston community respondents do not think jobs are available nor that people can get decent work. Only 38% of Black respondents believe jobs are available. Roughly two-thirds of white respondents agreed with statements about decent work being available and open to all people regardless of race, gender, and other demographic traits. Just over a quarter (27%) of Black respondents reported jobs in the community being open to all people regardless of race, age, sex, etc.

Half (50%) of all respondents believed that local manufacturers hire local workers. However, there is considerable racial disparity in how Black and white workers viewed this issue. While roughly two-thirds (65%) of white workers agreed that local manufacturers hire local workers, less than one-third (32%) of Black respondents agreed. The discrepancy in the perception of local hiring should be a red flag for local policymakers seeking to improve the lives of all residents - regardless of race - through job creation.

Community Wellbeing

Percent of respondents that “Agree” or “Strongly Agree”



Finally, the survey asked respondents about a series of community wellbeing statements. Community survey respondents of all backgrounds identified many unmet needs in the local area – from schools and infrastructure to healthy and clean environments. Once again, steep racial divides are apparent with white community members reporting healthier, better-resourced communities than their Black counterparts.

Most dramatically, while more than half (57%) of white respondents reported that local schools work well, only 5% of Black respondents agreed. Access to health care, healthy living spaces, and clean air and water are also racially split. Only one in four (28%) community respondents believe the Anniston area is a healthy place to live. Seventeen percent of Black respondents reported their community was healthy. Health care was a significant unmet need among community respondents –only 22% of respondents believed people could get health care when needed.

The survey data from residents living in the shadows of Anniston’s manufacturing facilities shows a community that is struggling economically, with unclear pathways to jobs and education, and divided along race. Racial gaps in the responses highlight the area’s continued legacy of inequality in opportunity, outcomes, and public investment.

Conclusion

Data from the worker and community surveys in Anniston, Alabama highlight the challenges of industrial investment atop existing inequalities and market failures. Public investment in firm recruitment or “corporate subsidies” has not remedied existing inequalities. Workers in Anniston’s manufacturing facilities face high-risk work and inequitable shop floors for moderate pay. Meanwhile, many of the residents of color are locked out of these jobs. Some residents get moderately paid jobs while others get none. Residents and community leaders must grapple with the downsides of declining job quality and identify leverage points to ensure joint prosperity – for corporations, for the city, and for the community.

The global companies that open manufacturing plants in the American South – including in Anniston – earn higher profits on the backs of both white and Black low-wage workers. The companies want the workers and community residents to be grateful that they have brought jobs to Anniston and other Alabama cities. However, many of the jobs they provide do not allow families to make ends meet – pay the rent or mortgage, pay for health care, get the car fixed, put three nutritious meals on the table, and other essentials. It is extremely difficult to support a family on less than \$20 an hour. When workers also have to work 50 or more hours a week at the plant, their families, especially the children, suffer. And families suffer even more when workers have unpredictable schedules, making it difficult to know whether they can attend a parent-teacher conference, a church meeting, or a kid’s soccer game. This is particularly true for working women, many of whom have two jobs – a paid job at the factory and a hectic and physically demanding unpaid job at home, taking care of children, cooking meals, doing laundry, and organizing the children’s schedules.

Public investment in manufacturing firms through large incentive packages should ensure that all members of the public have access to the benefits of manufacturing facilities. Oversight and community engagement in the incentive award process would increase the potential return on investments through first-source hiring agreements, equity and opportunity, and other benefits for the communities funding these incentives. Such programs “create the pipeline of qualified workers from low-income areas prepared to meet that demand” and “target opportunities to low-income residents and people of color who might otherwise not benefit from new development” (Partnership for Working Families, n.d.). Without such interventions, public investment in these developments risks replicating existing inequalities at great expense.

The quality of manufacturing jobs in the area should be higher - Anniston workers deserve good jobs. And communities and companies must work together to ensure equitable access to the jobs and advancement within the jobs. Without these two protections, it is not worth the public’s investment in manufacturing employment.

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