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Issue Brief № 62

Halfway Home and a Long Way To Go: Bridging Persistent Poverty Gap in Alabama's Black Belt¹

by Stephen G. Katsinas, Garrett A. Till, Joscelyn Peterson, Noel E. Keeney, Patrick J. Kelly, and Nathaniel J. Bray, with Moses O. Ogunnarin, Henry N. Vlacovsky

> My paternal grandfather Willis Dunning (1858-1948) was born a slave. My other grandparents, Delia Dunning and Lev and Mattie Nobles were born as the Jim Crow system was being erected as a substitute for slavery. Each was born in that isolated region of Alabama known as the Black Belt. None lived to see the end of Jim Crow—they were never truly free. They planted seeds for shade trees of freedom that they were never able to sit beneath.

--Arthur N. Dunning, Marengo County native, 2021.1

EXECUTIVE SUMMARY

Alabama's Black Belt, the scene for key events in our nation's struggle for civil and voting rights, has too long experienced searing poverty. In 1970, all 24 Black Belt counties were classified by the Census as in "persistent poverty," defined as above 20% for at least two consecutive Censuses.

Where do we stand now? This report reviews the data 60 years after the epic Voting Rights March across Selma's Edmund Pettus Bridget. Sadly, our analysis reveals that 19 of the 24 Black Belt counties, which include all 11 of Alabama's majority-minority counties, remain in persistent poverty. Persistent poverty is a burden for those who live it, but also a negative for the economic advancement of the state. Can Alabama be satisfied with this for another 60 years?

Our analysis reveals these key findings about the Black Belt:

- *Stark racial disparities persist,* with 33.2% of Black residents in the region living in poverty compared to 12% of White residents.
- *Youth poverty is acute,* with 34.9% of Black Belt residents ages 5-17 living below the poverty level (the statewide average is 20.4%).
- *The Black Belt's poverty rate* <u>increased</u> *since COVID* from 23.8% in 2020 to 24.6% in 2023, while state's rate fell from 17.6% to 15.6%.
- *Black Belt labor force participation still lags:* 2020's 20 point gap was 17 points in Dec. 2023-40.2% in the Black Belt, 57.2% statewide.

¹ We are indebted for our report's title to Doris Betts and Jessie White, authors of *Halfway Home and a Long Way to Go, The Report of the 1986 Commission on the Future of the South* (<u>https://eric.ed.gov/?id=ED278742</u>).



• *Educational attainment lags,* with only 24% of Black Belt adults holding a bachelor's degree or higher (the national average is 44%).

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We also reviewed recent developments that position future opportunities:

- *Automakers including* Mercedes, Honda, and Hyundai made major investments in electric vehicle production in/near the Black Belt.
- *Federal investments* via the Delta Regional Authority, USDA-Rural Development, and the \$1.2 billion Infrastructure and Jobs Act supported Black Belt infrastructure, economic, and workforce projects.
- State investments via (1) Rebuild Alabama (\$320 million annually)²;
 (2) the Alabama Broadband Map to steer more than \$500 million in broadband investments described below; and (3) new programs like the Alabama School of Healthcare Sciences in Demopolis, to open in 2026, address acute healthcare workforce shortages.

While Alabama has made progress, there is a long way to go. This report offers recommendations to transform persistent poverty in Alabama's Black Belt and advance the overall welfare of the state. As an example of the smart second-order approaches leaders should pursue to address persistent poverty–approaches that are targeted, coordinated, and most important, holistic will be needed to move the persistent poverty needle– we describe in detail The University of Alabama's Driving Regional Innovation through Vehicular Electrification (DRIVE) \$93 million proposal to the U.S. Economic Development Administration, which aimed to connect emerging EV jobs to the underserved Black Belt workforce.

It is in the interest of all Alabamians to address persistent poverty in the Black Belt. This is not only the RIGHT thing to do; it is the SMART thing to do. Targeted, coordinated, and sustained investments in the Black Belt are good for the State of Alabama. Standard grant programs with threeyear cycles have not and will not get the job done in these sparsely populated poverty-stricken counties anywhere in the state. We argue for

- Approaches that see the Black Belt as a distinct economic region.
- Scaling up indigenous programs with records of success.
- Strengthening coordination between education, workforce development, and industry partners.
- Addressing childcare, transportation, and benefits cliffs barriers.
- Building local capacity to compete for and manage federal grants through leadership development programs.

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Introduction: Little Progress with Persistent Poverty since the 1960s

Among the 24 Alabama Black Belt counties, 19 were in persistent poverty

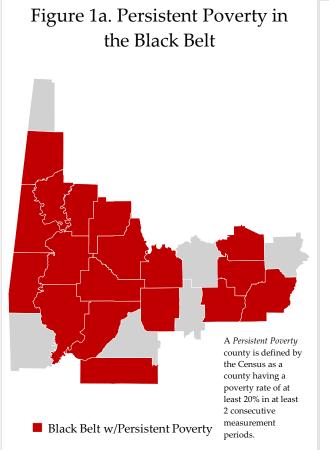
in 1970 and also in 2023. This report, in partnership with The University

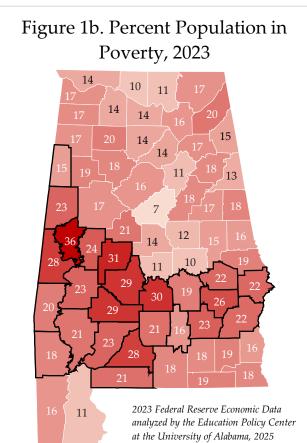
of Alabama's Center for Business and Economic Research and Al.com,

Alabama's largest online news provider, the Education Policy Center

examines persistent poverty in Alabama's Black Belt. This first report in

Black Belt 2025, builds on 15 briefs in Black Belt 2020 and Black Belt 2022.²





² see <u>edpolicy/our-research/black-belt/</u>. Future *Black Belt* 2025 briefs will review educational attainment, infrastructure (broadband access), and rural healthcare, We thank our donors to *Black Belt* 2020 and *Black Belt* 2022 for supporting this ongoing research.



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Figure 1a and 1b show that 19 of the Black Belt's 24 counties had poverty rates above 20%. The Census Bureau counts "persistent poverty" counties as those with poverty rates above 20% for at least two consecutive Census periods. All 24 counties throughout the Black Belt were in persistent poverty when Martin Luther King, Jr., Andrew Young, and John Lewis led the epic Voting Rights March across Selma's Edmund Pettus Bridge in 1965. The region's struggle with persistent poverty is one of the state's most pressing challenges, and nationally, one of its most neglected.

In 2023, the average poverty rate across all 24 Black Belt counties stood at 24%, significantly higher than the state average poverty rate of 18%, and the 15% average for Alabama's 43 non-Black Belt counties.³ *Nineteen of Alabama's 21 persistent poverty counties are in the Black Belt*, where the systemic barriers to wealth accumulation that followed slavery and Jim Crow impact communities today. Its effects ripple through Alabama's education, healthcare, infrastructure, and workforce systems, impacting the ability of new state initiatives enacted over the past decade to take root, limiting corporate development possibilities, and positively improving the long-term quality of life.

In his book *Alabama in the Twentieth Century*, historian Wayne Flynt notes just how successful the authors of Alabama's 1901 constitution were in disenfranchising voters: 181,000 male Negroes were eligible to vote in 1900, and just 2,980 by January 1903.⁴ As former Albany State University president and Alabama Black Belt native (Marengo County) Arthur N. Dunning wrote in his book about growing up in the Jim Crow south, the county courthouse was to be avoided if you were black seeking justice.⁵ African American families in the Black Belt are well aware of this history.



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The Black Belt's transition from an agricultural economy is incomplete, as Flynt and others have found. Our 2020 and 2022 reports noted that the region continues to struggle in attracting and retaining industrial development. While major automotive companies including Mercedes, Hyundai, and Honda have plants in or near the region, few second- and third-tier automotive suppliers locate in the western Black Belt.³ This suggests a greater need for more education and workforce programs.⁶

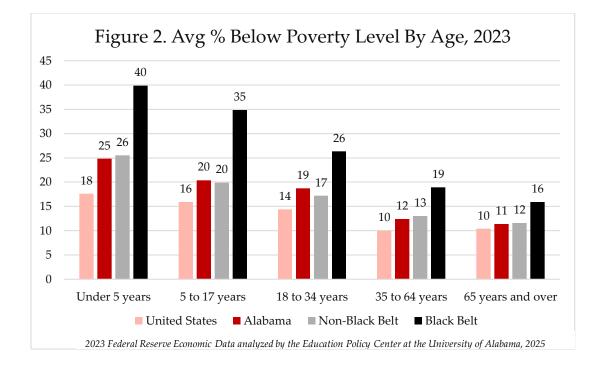
Striking Age Differences in Persistent Poverty in Alabama's Black Belt

The demographic landscape of poverty in the Black Belt reveals strikingly different patterns by age, race, and geography. It is important to note that when the 24 Black Belt counties are subtracted from the statewide total of 67 counties, the 43 non-Black Belt counties closely mirror the statewide averages. While there are both strengths to build upon and improvements to be made statewide, the Black Belt is clearly different. We will see this pattern will be repeated time and time again in the data presented below. Figure 2 shows striking differences by age group. *Among residents ages 5 to*

17 years, an average of 35% of Black Belt residents live below the poverty level, as opposed to the statewide average of 20%. Understanding how poverty impacts both the region's aging population and its youth, the future workforce, is crucial. While gaps somewhat narrow for older age groups, across the Black Belt poverty disproportionately affects single mothers and their vulnerable children, as young parents struggling the most⁷

³ We acknowledge how the economic costs of plants not locating in the Black Belt can lead to reduced investments in education, infrastructure including clean water, etc., which indirectly tie to persistent poverty. In future works, we hope to economically analyze the costs of supporting those in poverty versus the investment cost and the projected return on investment.

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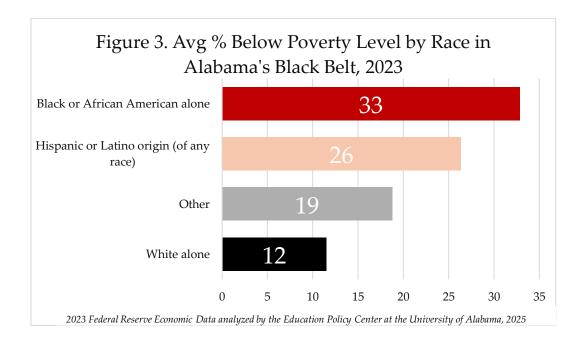
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It is not surprising racial demographics continue to play a significant role in the distribution of poverty across the Black Belt. Figure 3 shows the staggering 21% difference between the average percentage of Black and White Black Belt residents living in poverty in 2023, with 33% of Black residents living in poverty in comparison to 12% of White residents.





There is a crucial geographic dimension to understanding persistent poverty in the Black Belt. Rural Black Belt communities and their citizens struggle to access employment opportunities, healthcare, and essential services. Population sparsity and historically poor transportation systems point to the need for regionally-based long-term investments.

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When comparing current conditions with the findings from our 2020 and 2022 studies, several notable trends emerge. First, the Black Belt's poverty rate has remained persistently high, actually *increasing* from 23.8% in 2020 to 24.6% in 2023, even as the statewide poverty declined from 17.6% to 15.6%. *Black residents experience poverty at nearly three times the rate of White residents*. These stark racial disparities underscore the disproportionately impact poverty has on young Alabamians aged 5 to 17.

No region in Alabama faces greater transportation, broadband access, and childcare access challenges than does the Black Belt. We acknowledge progress on all three issues made in the three Ivey Administrations that began in 2017: First, regarding transportation, a major north-south four-lane highways in the western Black Belt, first promised by Governor James Folsom in 1948, is finally under construction. Second, regarding broadband, in 2020 the EPC found the Black Belt counties of Choctaw and Perry, home to Coretta Scott King and Andrew Young's wife Jean, had zero percent coverage of high-speed internet. Neighboring Greene County stood at just 2 percent coverage.⁴ Under the leadership of Kenneth Boswell and the Alabama Department of Economic and Community Affairs,

⁴ Our 2020 issue brief, *Internet Access Disparities in Alabama & the Black Belt*, concluded the region "is markedly behind the rest of the state when it comes to internet access." In October 2020, Alabama ranked 47th in broadband connectivity, and all but two Black Belt counties were below the statewide average of 86 percent high-speed (100+ mbps) internet coverage, with half below 50% coverage.



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Alabama set the standard nationally with its Alabama Broadband Map and its Alabama Connectivity Plan. Good planning reinforced by state law meant the substantial federal funds from the two 2020 COVID bills and the 2021 Infrastructure Investment and Jobs Act could be more quickly deployed to cover severely unserved Black Belt counties.⁸ Third, Gov. Ivey has continued expansion of Alabama's nationally recognized *First Class Pre-K* program.⁹ This can be a foundation for long-term initiatives to address persistent poverty for Black Belt residents.

Low Labor Force Participation Rates & Higher Unemployment Rates

Improving the numbers of Alabamians with high skills is a major focus of state policy: In May 2018, Governor Ivey committed Alabama to produce 500,000 more workers with college degrees, certificates, and credentials by 2025. A bipartisan education reform package was passed by the Alabama Legislature in 2019 created Alabama's Office of Apprenticeships.¹⁰

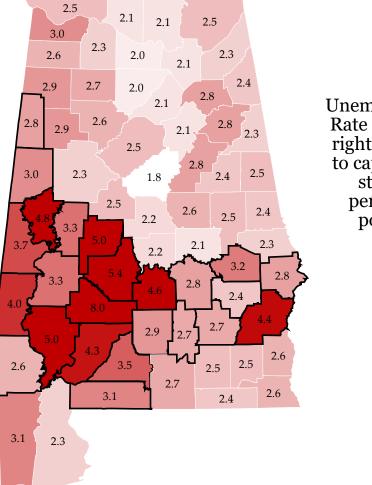
Had the January 2020 statewide labor force participation rate of 57.1% been equal to the national rate of 63.2%, another 196,000 Alabamians would be working. *But the labor force participation rate in the 24 Black Belt counties in 2020 was 20 percentage points below the statewide rate.* **In 2023, that** *difference was 17 points -- 40% in the Black Belt and 57.2% statewide.* The unemployment rate as a measure does not tell the Black Belt's poverty story accurately. Historically, Black Belt counties have had the highest unemployment rates in Alabama: In December 2023, they averaged 3.7%, compared to the 3.8% national rate, the statewide 2.9% rate of 2.9%, and the rate for the 43 non-Black Belt counties of 2.4% (Figure 4). But many in the Black Belt have given up and are not looking for work. This makes labor force participation rate a better measure for policymakers.





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Figure 4. Unemployment Rate by County, December 2023

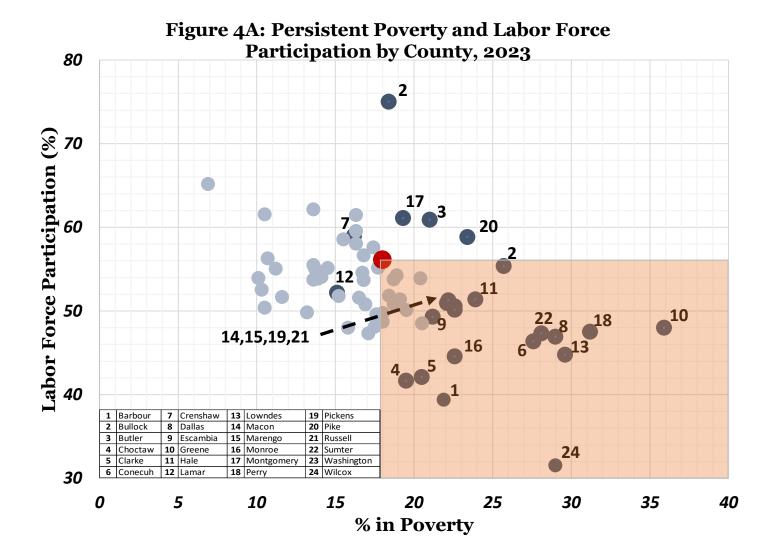


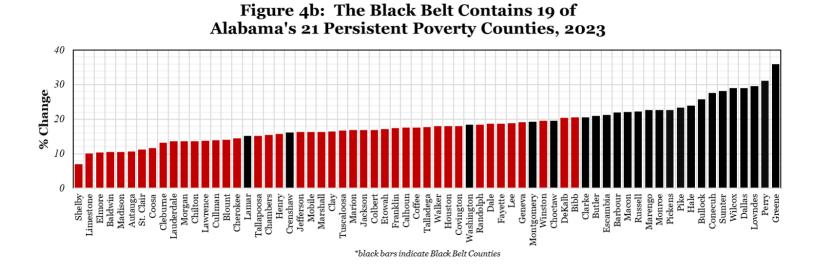
The Unemployment Rate is not the right measure to capture the story of persistent poverty

The Black Belt's 688,442 residents represent just 13.5% of the state's 5,108,468 total population, but the region totals only 12.8% of the labor force while comprising 18.1% of the state's impoverished residents. We see the impact of sparsity and size in rural counties such as Wilcox, with an unemployment rate of 8%, which struggle with job accessibility and unemployment. ¹¹ A better measure is labor force participation, because it captures persistent poverty (see Figures 4a and 4b, below) which the unemployment does not.













Moving forward, more workforce programs and targeted investments will be critical in addressing these systemic challenges and fostering economic resilience in the Black Belt. The example of Washington County, which since 2020 has led the state with a labor force increase of 34.5%, leading to a labor participation rate increase of 16.5%, demonstrates that progress is possible. Washington County's residence have seen the third highest improvement in its poverty rate, and this largely due to opening in 2010 and subsequent expansion (2024) of a single large manufacturer, AM/NS Calvert. In small-sized sparsely populated counties, such investments matter. When added to relatively inexpensive state investments targeted to connecting prime-age adult workers and expanding pathways for future workers in high school, Alabama can maximize the positive effect of its more expensive, high-impact infrastructure investments made via Rebuild Alabama and Connect Alabama in transportation and broadband.

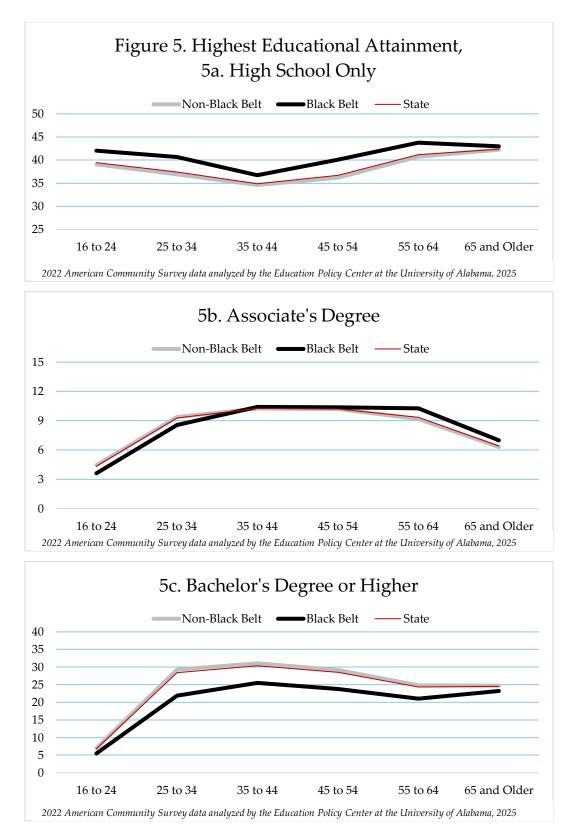
Without investment, there can be no jobs. With limited transportation, workers cannot get to jobs. With persistent poverty, it is difficult to buy cars/gas/childcare to get to better jobs or access education to train for better jobs, and more are vulnerable to benefits cliffs. This speaks to breaking what has been an intractable cycle. This is why policymakers should focus not on unemployment, but rather labor force participation.

Skills Gap Analysis

A critical factor contributing to the skills gap is the region's educational attainment levels, as Figures 5a, 5b, and 5c show. In 2023, 39.6% of Black Belt residents over the age of 25 held a high school diploma as their highest educational attainment, compared to the national average of 26.2%. Although the Black Belt is on par with statewide percentages for THE UNIVERSITY OF Education **ALABAMA**

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associate degrees attained, only 24% of its residents possess a bachelor's degree or higher, significantly lower than the national average of 44%. The disparity suggests limited access to middle-skill occupations requiring postsecondary education or specialized training, including remote work. Figures 5a, 5b, and 5c suggest the academic stopping point for Black Belt residents is earlier than in the 43 non-Black Belt counties, resulting in a significant lag in bachelor's degree attainment. The far lower rates of broadband access limit online program access as a viable solution. Again, this calls for targeted strategies for the eastern, west-central, southwest, and western portions of the Black Belt.

We acknowledge efforts underway to bridge the skills gap and remove barriers to employment, the Alabama Community College System's *Skills for Success* training program. Lurleen B. Wallace Community College, which serves adjacent south-central Black Belt counties awarded 1,443 workforce training certificates in 2023-24, a 324% increase over the previous year.¹² More such innovative efforts will be needed to scale this and other programs across the Black Belt.¹³

Manufacturing and Economic Opportunities

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Expanding jobs in manufacturing continues to represent an important component of economic development strategies for the Black Belt. Our 2020 report, however, found almost no second- or third-tier automotive or aerospace suppliers locating plants in the western Black Belt.¹⁴ Our 2022 report indicated manufacturing provided approximately 15% of total employment in the region, and statewide in 2024, there were 5,600 new manufacturing jobs reported.¹⁵ This is consistent with UA CBER's



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Alabama Economic Outlook 2025, which found machinery manufacturing, accommodation and food services, real estate/renting/leasing, and arts/entertainment/recreation as producing the highest real GDP growth.¹⁶ The automotive manufacturing sector has shown strong growth potential for the region. Mercedes-Benz has invested \$1 billion in its new battery plant in Bibb County, adjacent to the Black Belt, which opened in 2022.¹⁷ The state's automotive sector has made significant strides in electric vehicle production, with Alabama attracting over \$2 billion in EV-related investments, creating approximately 2,500 jobs. Following their \$300 million investment, Hyundai's Montgomery assembly plant is now producing electric vehicles, and Hyundai Mobis is constructing a \$205 million EV battery module plant that will employ 400 more workers.¹⁸ In February 2025, ArcelorMittal announced a new \$1.2 billion electric steel mill along the southern border of the Black Belt. An EV manufacturing plant is to be expanded in Calvert, adjacent to the southwestern Black Belt. Both offer promising pathways for employment growth.¹⁹ To maximize these new opportunities requires continuing coordination of state development leaders, manufacturers, and both the workforce development and education communities, a point emphasized in Lt. Gov. Will Ainsworth's 2024 Commission on 21st Century Workforce.²⁰ This supports efforts to place West Alabama Works' Modern Manufacturing curriculum in every Black Belt high school, and expanding partnerships with Mercedes, Hyundai, and their suppliers, to tie training to jobs.²¹ Recent developments in food processing include Black Belt Food Corridor, a program of Tuskegee University underwritten by a Mini-Grant Program of \$600,000 from the U.S. Department of Agriculture. Financial support to



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local farmers and food entrepreneurs enables them to scale operations, adopt sustainable practices, and strengthen the regional food system as they increase production, improve land stewardship, reduce food waste, and enhance food access.²²

Federal investment has played a crucial role in supporting economic development. Thanks to former Senator Richard Shelby, Alabama counties in the Delta Regional Authority (DRA)'s congressionally mandated service region includes most of the Black Belt. In 2023, the DRA awarded over \$1.6 million to six projects in Alabama's Black Belt region through its States' Economic Development Assistance Program (SEDAP), to improve public infrastructure and transportation. These investments support business development and job training, enhancing the quality of life and fostering economic growth in the Black Belt. Selma's Cultural and Communal Living Cynosure initiative (\$200,000) seeks to enhance the well-being and success of individuals living in economically-distressed neighborhoods. The Jackson Pellets Industrial Access Road project (\$357,000) will construct a 3,100-foot access road, improving transportation to the facility. The Selma Tourism Incubator (\$509,000) established an Innovative Tourism Hub in Selma's historic downtown. Stormwater/wastewater projects were awarded to Hurtsboro in Russell County (\$387,000) and Eufaula-Bluff City in Barbour County (\$43,000).²³ Healthcare workforce development represents an emerging economic driver for the Black Belt. The new Alabama School of Healthcare Sciences (ASHS), scheduled to open in Demopolis in fall 2026, is a \$40 million state, local, and private philanthropic investment (through the Bloomberg Foundation) to address long-standing rural healthcare workforce





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shortages and create economic opportunities. This 400-student residential high school will be located in the Black Belt's Marengo County suggests a focus on regional healthcare workforce development.²⁴

By 2034, there is a projected shortage of 124,000 healthcare workers nationally. While 37% of Alabama's population lives in rural areas, less than 20% of trained healthcare professionals serve those communities, ASHS's focus on developing rural healthcare leaders is an economic development job creator that can lead to improved healthcare access.²⁵ Local support exists for healthcare infrastructure development. Marengo County's self-imposed a property tax to fund Whitfield Regional Hospital in 2019 and its 1% sales tax passed in 2021 to support public schools.²⁶

Housing and wealth building, and an update of our prior broadband reports, will be subjects of upcoming *Black Belt 2025* issue briefs. These are critical challenges requiring sustained, targeted intervention. Increasing homeownership rates among Black Belt residents can preserve wealth in the region. The coupling of financial literacy and credit improvement programs for Black Belt residents is somewhat similar to a scaled-up version of Stillman College's Black Belt Scholars Camp, a 3-week course for Hale, Sumter, and Greene County students, focused on STEM, financial literacy, and entrepreneurship.²⁷

The Rural Challenge of Coordinating Regional Innovation Resources

To foster rural regional innovation in Alabama's sparsely populated Black Belt requires strong local governance in its small communities, counties, local industrial development authorities, local city, and county school districts, and three of the most important entities that cross county lines, rural hospitals, rural community colleges, and rural regional universities.



Similarly, 7 of the state's 12 regional planning councils serve Black Belt counties, of which 3—the Alabama-Tombigbee, South Central, Regional Commission, and Southeast—serve 20 of the 24 Black Belt Counties.²⁸ And there are four Workforce Councils serving the 24 Black Belt counties. This speaks to the challenge of getting cross-sector entities working together and pulling in the same direction, a special challenge in sparsely populated, persistent poverty counties in Alabama's Black Belt.

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The educational pipeline requires continued strengthening through enhanced connections across K-12 schools, community colleges, and employers. Early college/dual enrollment and apprenticeship programs that allow high school students to earn manufacturing and technical certifications before graduation can be more broadly offered.

Career counseling services need strengthening, to connect more students to opportunities in advanced manufacturing and technical fields. The Education Policy Center assisted the Alabama Office of Apprenticeships (AOA) in creating its 2023 dashboards linking employer's apprenticeable jobs to apprenticeship opportunities in Alabama high schools and community colleges.²⁹ These programs should be expanded to connect Black Belt residents to living-wage jobs to help employers fill vital needs.

We note here that many key pieces have been put into place in recent years. The Alabama Commission in Higher Education has partnered with other entities of state government on its Registered Credentials Index and its Education and Workforce Index. Governor Ivey's Office of Education and Workforce Transformation has partnered with the Federal Reserve Bank of Atlanta to address the issue of benefits cliffs,³⁰ and its Dashboard for Alabamians to Visualize Income Determinations (DAVID) is a

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promising software tool to help individuals understand pathways to selfsufficiency. Such innovations need to be available in libraries and across all Black Belt workforce development programs. Could a demonstration "benefits bridge" program providing transitional support (healthcare and childcare coverage), move individuals from assistance to self-sufficiency?³¹

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Coordinating federal and state investments targeted to the Black Belt region requires systematic, continuous attention if the persistent poverty needle is to be moved. The Delta Regional Authority's recent investments show the potential of federal funding to catalyze local development. But many communities lack the technical capacity to successfully compete for and manage federal grants, as USDA-Rural Development officials know well. All of this calls for what we term "second tier" responses to more holistically address the underlying labor force participation and pathway issues in the Black Belt, to which we now turn.

DRIVE: UA's Targeted Comprehensive Response to Black Belt Needs

Driving Regional Innovation through Vehicular Electrification (DRIVE) was The University of Alabama's approach to catalyze recent state initiatives and take progress to the next level, as a logical way to proceed by expanding nested programs. It sought to link emerging electric vehicle jobs at Alabama's automotive manufacturers to the underutilized Black Belt labor force, thereby addressing participation rates in 2020 that were twenty points below the state average (37% compared to 58%).³²

The February 2021 federal budget³³ included \$1 billion for the U.S. Economic Development Administration's (US-EDA) Building Back Better Regional Challenge (BBBRC) competition. In September 2021, the





University of Alabama Office of Research and Economic Development invited Dr. Stephen Katsinas and Dr. Nathaniel Bray, Director, and Associate Director of its Education Policy Center, respectively, to serve as project leads for its BBBRC Round One planning grant application. Dr. Sam Addy, Associate Dean for Economic Development Outreach & Senior Research Economist at the Center for Business and Economic Development, headed DRIVE's evaluation and governance component.

The DRIVE proposal was an unprecedented effort that involving five colleges at the state's largest student-centered research university, to provide programs and services to promote rural regional innovation in Alabama's poorest region. The Education Policy Center was chosen specifically because of its deep knowledge of both the Black Belt and innovative programs across UA, which now has 40,000 students (the largest enrolled undergraduate colleges in Engineering and Business at Southeastern Conference universities are at UA). Nationally, 529 applications were submitted for 60 half million dollar planning grants, including 13 from Alabama entities. Word was received about Round One funding as the EPC team, with Alabama General Studies Committee leaders, was visiting Governor Kay Ivey to brief her on the Alabama Transfers initiative (the new statewide transfer dashboards used by all community college and public four-year universities in the state), in December 2021. Round One funding meant the opportunity to submit Round Two proposals for up to \$100 million in federal funds, and DRIVE was the sole proposal from Alabama advanced.

The DRIVE proposal submitted to US-EDA in March 2022 totaled \$93 million, comprised of \$74 million in federal BBBRC funds requested, and a



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\$21 million match. More than 150 support letters from business leaders were included, including letters from the Alabama Association of Automotive Manufacturers, Mercedes-Benz, Hyundai, Alabama Power, and other business leaders. Virtually every key workforce and education agency of Alabama state and local government from Governor Ivey to Innovation Commission Co-Chairman Bill Poole, to Alabama Department of Economic and Community Affairs, Alabama Industrial Development Training, and the state Secretaries of Labor and Commerce wrote support letters. All seven of the regional planning agencies in the 27 impacted counties, and 36 of the 40 city and county school superintendents wrote support letters in a truly unprecedented bottom-up approach. DRIVE clearly was the most comprehensive programmatic initiative aimed at lifting the Black Belt from an Alabama research university in decades; this broad-based support was recognized by the Brookings Institution.³⁴

There were nine components to the \$93 million DRIVE program, which cluster into three buckets: (1) On-campus technology-based programs linked to the Black Belt, (2) workforce outreach programs designed to reach place-based adults, including wraparound transportation, childcare, and behavioral and mental health service; and (3) programs to enlarge the <u>pool of well-prepared youth</u> from high school for the EV workforce. The on-campus technology-based programs were designed to strengthen research tied to broadening numbers of credentialed-ready EV workers, and virtual engineering curricula targeted to small rural-based manufacturers serving the auto industry in second- and third-tier supplier roles (surprisingly few such firms have located in Alabama's Black Belt since Mercedes and Honda arrived in Alabama).





The second strand expanded the place-based programs for Black Belt adult workers. These centered around three programs of the West Alabama Works (WAW): Modern Manufacturing for all Black Belt high schools, an Educators' Workforce Academy, to get the education and workforce communities on the same page, and WAW's programs to reconnect adults ages 25-54 to address the Prime Age Employment Gap, the subject of an October 2023 EPC issue brief. As Donny Jones, Executive Director, said, "To move the needle on the PAEG and impact persistent poverty in the Black Belt will require sustained efforts to reconnect two key populations: single parent heads of households and prior incarcerated individuals."³⁵

The average percentage of single parent heads of households for the 24 Black Belt counties is 47.5%, more than double the U.S. average of 22%. Alabama has 182,730 single parent heads of households, of whom 27,589 or 15% live in the 24 Black Belt counties. There are nine Black Belt counties with rates above 50%--Barbour (52%), Dallas [Selma] (54%), Greene (59%), Lowndes (67%), Macon (58%), Montgomery (51%), Perry (72%), Sumter (66%), and Wilcox (59%). Single-parent households can often face the choice of staying home and being a caretaker with government assistance or entering the workforce and bearing the cost and challenge of finding childcare. This is the benefits cliff; once a Black Belt family has children, access to affordable childcare and medical benefits impacts the ability to keep working. This underscores the need for comprehensive wraparound childcare, transportation, and behavioral/mental health services.³⁶ DRIVE funding would have supported Project VitAL's innovative expansion of



behavioral and mental health services across Black Belt seven counties to help people get and retain employment where few services exist.

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A third program strand was interrelated programs that together were aimed at enlarging the pool of well-prepared youth from high school these include the Alabama Student & Parent Instructional Enrichment for *Summer (ASPIRES)* program. The Episcopal Diocese of Alabama's Sawyerville program, now in its 30th year, has a proven record of turning summer math melt into advancement. A key to its success has been the advisory committee of Hale County Black and white church leaders (churches are vibrant institutions in the rural Black Belt).³⁷ ASPIRES would expand this program to Dallas (Selma), Perry, and Wilcox counties. The third strand also includes *KickStart College and Careers*, which would bring every 8th and 11th grader to either Hyundai and Alabama State University or Mercedes and the University of Alabama, receiving individualized career and college exploration plans that deploy the new Alabama Office of Apprenticeship and Alabama Transfers (dual enrollment) dashboards that the Education Policy Center helped develop. *KickStart College* was started by UA's Carl Elliott Honor Society, supported by EPC; since 2011, 11,000 Black Belt 8th graders have spent a day at UA, touring campus with Capstone Men and Women, a picture with UA administrators and Big Al on the steps of Gorgas Library, lunch at a residence hall with Elliott Society students, and most important, a session to learn what classes to take in high school to be college and career ready, with financial aid awareness.

The third strand also included the *Alabama College Advising Corps* which places near-peer advisers at community colleges, HBCUs, and regional





universities across the Black Belt to work with middle and high school students to think about career and college "fit," building on UA's successful Jack Kent Cooke Foundation national demonstration grant that provided transfer counseling and services to more than 30,000 hard-toreach rural community college students between 2008 and 2011.

A fourth program of this third component was aimed at individuals from small, rural communities: the Black Belt Leadership Academy (BBLA). It is a well-known fact among rural development experts that small, rural communities "leave money on the table" due to a lack of specialized knowledge to navigate their way around the plethora of federal programs (USDA-Rural Development has 40 programs across 7 program areas with 5 different congressionally-mandated definitions of rural. BBLA is modeled after the Mississippi and Alabama Community College Policy Fellows program that provided a year-long leadership, networking, and advocacy program. The CCPF collaborated with Senators Thad Cochran and Richard Shelby to restore year-round (summer) Pell Grant funding nationwide.

The BBLA's "rural grants boot camp" would link emerging small-town Black Belt leaders to innovative national and regional practice and be sustainable by involving grant writers from rural community colleges, HBCUs, and regional universities. The goal is to teach small-town leaders "how to fish," building continuous institutional capacity networks for self-sustaining community development.³⁸ A program like BBLA is a holistic approach to help state policymakers not leave USDA, DRA, and other grant funds on the table, and is worthy of state, federal, and private support today.



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Where Do We Go Now?

In 1970, all 24 24 Black Belt counties were in persistent poverty. In 2023, 19 were. While recent years have brought new investments in automotive manufacturing and infrastructure, persistent poverty remains far too high. The Black Belt's poverty rate *rose* from 23.8% in 2020 to 24.6% in 2023, as the state's overall poverty rate declined. A new approach is needed.

The place-based programs in DRIVE share a common key characteristic: indigenous programs *already in place with successful track records*. The US-EDA funding would have taken these programs to scale, as a 2023 Brookings Institution feature noted.³⁹ Sadly, on Labor Day of 2022 came word that DRIVE would not be funded (none of BBBRC's 21 grantees served the 180 rural persistent poverty counties of Alabama, Arkansas, Georgia, Louisiana, Mississippi, or South Carolina).

The decision by the federal government to not fund DRIVE should not prevent federal partners (DRA, USDA-Rural Development, etc.), the State of Alabama and private funders at the state and national level from underwriting a more regionalized research-based approach to rural innovation. The Black Belt's needs did not go away, and we note the success of DRIVE partners to get portions of their programs funded after US-EDA's negative decision. For example, Shelton State Community College established a partnership with West Alabama Works in 2024 that grew from DRIVE to increase childcare options, through its Community Childcare Cultivator Connecting Commerce to Care (3 by 3). The program received national media attention. ⁴⁰ Alabama's place-based colleges and



universities should be deployed as boundary-spanning convening entities. To this end, we recommend the following:

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- 1. Approaches that Target the Black Belt as a Region. It is time for the State of Alabama, federal funders (Delta Regional Authority, U.S. Department of Agriculture-Rural Development) to target the Black Belt region as a region. The region contains about 13% of the state's population, but even with the positive developments outlined above, poverty rates are still rising, with youth poverty registering at 35%) and clear racial disparities in poverty rates (33% Black vs 12% White). Regional approaches are clearly needed.
- 2. Scale-up Indigenous Programs with Solid Track Records. DRIVE proposed KickStart College and Careers, ASPIRES, ACAC, BBLA, and other programs, using US-EDA funding to take programs to scale. This model can be deployed by federal, state, and private funders to help the Black Belt. Programs such as BBLA that continuously connect local leaders to powerful new tools such as the Federal Reserve's DAVID program, or the University of Alabama Center for Business and Economic Research's new county economic impact calculator⁴¹, are particularly important. Funders should actively encourage partnerships across local county governments, regional hospitals, and community colleges, regional universities, and HBCUs serving the region, with research universities serving as convening intermediaries.

Concluding Thought: Why Wait Another 60 Years?

As we state in the outset of this brief, combatting persistent poverty is not just the RIGHT thing to do, it is the SMART, economically savvy, thing to



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do as well. Persistent poverty, which exists not just in Alabama but in other pockets across the Deep South and nation, is evidence that continuing what has been done in the past is unlikely to offer long-term improvements. Lessons can be learned from those failures, though.

There is a critical need for holistic demonstration programs, tying together the strands of education, transportation, infrastructure and workforce development, and so on for collective action, to reach persistent poverty rural counties. The last major national foundation program that used higher education to alleviate rural poverty was the Ford Foundation's Rural Community College Initiative, which ran from 1994 to 2002.⁴² *Neither private philanthropy nor the federal government have funded national demonstration programs for more than a generation*.

Alabama philanthropy and state officials cannot wait for national leadership; they themselves must act to shape the funder priorities with the goal of local action to spur change and set the standard for future national demonstration projects. The State of Alabama has demonstrated this leadership in recent years in the transportation and broadband infrastructure, workforce, and apprenticeship spaces. Alabama now should pursue "second-tier" holistic approaches to economic and community development in Alabama's Black Belt, approaches that recognize sparsity of population and the need for targeted, coordinated, and sustained strategies to address persistent poverty across the ENTIRE state.



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Established in 1924, the Education Policy Center is The University of Alabama's oldest center or institute. Through its ongoing nonpartisan research and programs, it seeks to assist the College of Education and the University to fulfill their mission to improve the quality of life for all Alabamians. The EPC promotes expanding access and success, strengthening equity, and advancing economic and community development with special emphasis on telling the story of the Deep South to policymakers in Alabama, the region and nation. In 2020, EPC released the *Black Belt 2020* issue brief series examining policy issues pertinent to the Alabama Black Belt. *Black Belt 2022* builds upon this work and will examine new issues as well as revisit previous issues.

Director: Stephen G. Katsinas, Ph.D.
Associate Director: Nathaniel Bray, Ph.D.
Senior Fellow & Issue Briefs Editor: James E. "Ed" Davis, PhD (Emeritus, MS State University)
Senior Fellows: Arleene P. Breaux, Ph.D., James E. "Skip" Dotherow, Ph.D., Phillip D. Grant,
Ph.D., Ray Huebschmann, Ph.D., Brian K. Johnson, Ph.D., Vincent A. Lacey, Ph.D., R. Frank
Mensel, Ph.D., David Murphy, Ph.D., J. Warner, Patrick J. Kelly, Ph.D.
Fellows: Mark D'Amico, Ph.D., Janice Friedel, Ph.D., Linda Hagedorn, Ph.D., Michael Kennamer,
Ph.D., Dustin Smith, Ph.D.

Research Associates: Noel Keeney, Moses Ogunniran & Garrett Till

Interns: Joscelyn Peterson, Henry Vlacovsky & Trinity Lohrmeyer

2222 9th Street Box 870249, Tuscaloosa, Alabama 35401 · Telephone: (205) 348-6004 ·

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The primary roles of the Center for Business and Economic Research (CBER) are in research and service to the State and people of Alabama and the nation at large. The Center, established in 1930, is committed to promoting economic development throughout Alabama. CBER's research spans economic and fiscal policy analysis, business, environmental, economic and workforce development studies. CBER also collects, maintains, analyzes, and releases business and socioeconomic data. CBER clientele include federal, state, and local government agencies, private companies, other academic institutions, financial institutions, individuals, and the media. As a resource for in-depth studies/analysis/forecasts, CBER provides insight and information with the aim of improving the quality of decision-making by our clientele. CBER is an outreach/research center of the Culverhouse College of Business, one of the leading business schools in the country.

Associate Dean for Economic Development & Senior Research Economist: Samuel Addy, Ph.D. Executive Director: Ahmad Ijaz Associate Director of Research & Outreach: Morgan Cordle Director of Socioeconomic Analysis & Demographics: Nyesha Black, Ph.D.

Assistant Research Economist: Kilungu Nzaku, Ph.D.

Socioeconomic Analyst: Susannah Robichaux Economic Forecaster: Stephanie Normanyo 1500 Greensboro Avenue, Suite 1 Box 870221, Tuscaloosa, Alabama 35401 · Telephone: (205) 348-6191 · https://cber.culverhouse.ua.edu



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