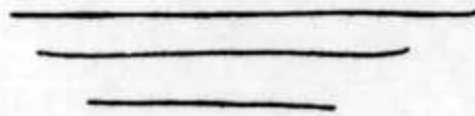


MISSISSIPPI Economics



MISSISSIPPI'S
"NEW IMAGE"



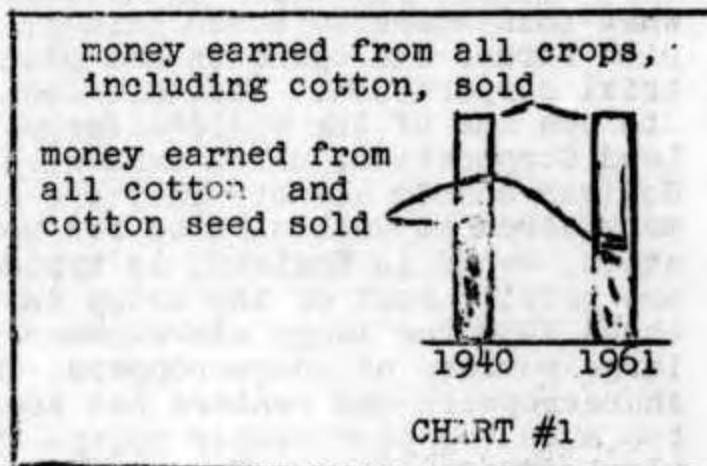
Many "important" people in Mississippi nowadays are concerned about "Mississippi's Image." If one reads the newspapers, watches TV or listens to the radio, one always finds some businessman or politician expressing concern about "Mississippi's Image." So important is this image that it often forces businessmen and politicians to say things they would rather not say. Such is the case when on January 21, 1964, Governor Paul B. Johnson said in his inaugural address: "I would point out to you that the Mississippi economy is not divisible by party or faction, or even by race, color or creed.--As a practical matter, we are at this moment in the mainstream of National light. National policies have a direct bearing on our economy, on our political freedom, on our daily living, whether we like it or not--If I must fight it will not be a rearguard defense; it will be for our share of tomorrow." This very moderate statement was spoken after a bitter, racist campaign.

What is it that causes this concern about "Mississippi's Image?" Basically it is the fact that, whether it likes it or not, Mississippi needs money from the rest of the country for politicians to run the state and businessmen to make a profit. Mississippi talks about state's rights and the interference of the Federal Government, but the facts are that in recent years Mississippi has received more money from the Federal Government than it has paid out in taxes to it. Mississippi is trying desperately to get new industry to come to the state to provide more jobs for unemployed and underemployed people. Mississippi needs the tourists' dollars. Therefore, Mississippi is concerned about its image, in other words, what people think about Mississippi.

Immediately a number of questions come up. What is behind "Mississippi's Image?" Is there really a "New Mississippi?" If so, how does it differ from the "Old Mississippi?" Have the people of Mississippi benefited from the changes that have taken place?

AGRICULTURE

Cotton is still the single most important crop in Mississippi, but things are changing; it is not nearly as important a crop as it was just 25 years ago. In 1961 the money received by the farmers of the state for selling cotton and cotton seed was only 45.5% of all the money earned by farmers by selling all kinds of crops. In 1940 the money received from selling cotton was 61.8% of the money made from selling all farm crops, including cotton. (See Chart #1) More and more cotton is being raised on only the large plantations of the Delta, where rich soil and more and more use of machinery like cotton pickers has resulted in larger and larger crops on less and less land. In 1940 1 million more acres of cotton were planted than in 1960; but in 1960, because of the use of machines and fertilizer, much more cotton was harvested.



There are also fewer acres being planted in corn now than in 1940. In 1962 2 million fewer acres of corn were planted than in 1940; also the total corn harvested was one-third less. What agricultural products are taking the place of cotton and corn being planted. Although the number of acres of rice and soybeans is being increased in the Delta, most of the land not planted with corn or cotton has become pasture and woodland.

The greater amount of land in pasture shows that more and more cattle and poultry are being raised. In 1940 for every \$100 made from

all money made from selling
all farm products, including
livestock

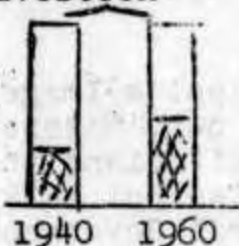


CHART #2

All money made
from selling
livestock is
the colored in
part

selling farm products, \$28 of it was made selling cattle and poultry. In 1960, though, for every \$100 of farm products sold \$40 was made from selling livestock. (See Chart #2). In 1960 3 times more beef cattle were sold, than in 1940, and 5 times more broilers were sold in 1960 than in 1940.

What is important to the people of Mississippi, particularly the Negroes, is the fact that less and less land is being planted with crops

and more and more land is becoming pasture and woodland; and even more important, the greater use of machines and fertilizer in agriculture, have resulted in the loss of jobs. The Mississippi Economic Council's report, "Mississippi Agriculture and Forestry Trends and Prospects," talks about it this way: "The substantial increase in farm output has been accomplished mainly through research and the adoption of a vast array of management and technological improvements. Many farmers and farm workers have left the farm. The 252,000 people employed on Mississippi farms comprise less than half the 1940 number. The enormity of the increase in farm labor efficiency made possible through better management and technology is emphasized when we consider that Mississippi farms are now able to produce more than $1\frac{1}{2}$ times the volume of their 1940 output with only 46% as many workers."

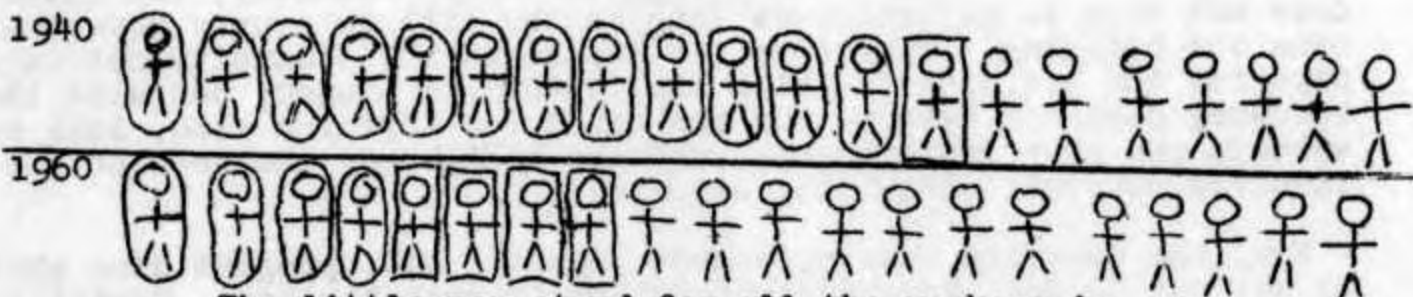
Perhaps an example taken from a report on the Mississippi Freedom Labor Union can help put these numbers into more human terms, to show what this means to human beings: "What the union is fighting is the rich farmer who operates his plantation like a huge, inhuman industrial corporation. Visitors from other countries come to Mississippi to see one of the world's largest plantations, the Delta Pine and Land Corporation, which owns more than 60 square miles of land in Bolivar county alone. They are amazed at how so few men can run so many acres so well with so few workers. Delta Pine and Land Corporation, owned in England, is typical of the way bigger and bigger farms are raising most of the crops in this country. From the civil war to about 1930 the large slave-owner's plantations were divided up among large numbers of sharecroppers. But since 1930 the number of Negro sharecroppers and renters has become smaller because farm land costs too much for poor people today--\$500 per acre. And there is very little land for sale. For the Negro, there is practically none at all. Although the sharecropper has never been able to earn enough to feed and house his family in the Delta, he at least lived on and farmed some land. In a sense, the land was his to work, though not to own. But for

this
the day laborer/was never true. For him, the corporation is his boss man and he works for him on a day-to-day basis, without security, without tenure, without rights of any kind. The important change that has come about is that most of the Negroes in this part of the state are day laborers, without money, without property, without anything except today's peice jof bread and lard. In the wealth of America today the Negro day laborer has no share. And, with the use of more and more machinery he is rapidly becoming permantly without a job, for there is no need for him." For years the Negro day laborer has received \$2.50 or \$3.00 for 10 hours or more work a day--in Shaw there has been talk about the wages going down to a \$1.75 a day--and it looks like even this amount will soon be gone. These facts lead to some very, very important questions: Ffirst of all, what can these people who are losing their jobs do to change what appears to be a future without a job, housing and food? What can the MFLU do? What can the MFDP do? Is there any hope at all?

MANUFACTURING

In 1940 about 12 of every 20 workers were working in agriculture, but by 1960 only 4 of every 20 workers were working on farms. (See chart #3.) At the same time, in 1940 about 2 of every 20 workers worked in industry. By 1960 4 of every 20 workers worked in industry. (See chart #3.) You can see that in 1940 there were a lot more workers on the farms than in industry, but in 1960 there were as many workers in industry as on the farms. The fact that more and more

CHART #3



The little men stand for all the workers in the state in 1940 and 1960. The little figures with circles around them stand for all the people who worked on the farms in 1940 and in 1960. The little figures with squares around them stand for all the workers who worked in factories in 1940 and 1960.

people are working in industry shows that industry is more important in this state now than in 1940. This increase in industry is not so important because more people are being employed than in 1940, but because it means that Mississippi is more dependent on the rest of the United States. Mississippi needs the rest of the country because she needs money from outside the state to buy new products. This is why the state officials are worried about "Mississippi's Image." If the bombings, beatings, demonstrations and the Congressional Challenge continue, industries will not want to come to Mississippi, and people around the country will not buy Mississippi products or come

and spend money as tourists in the state. This concern in Mississippi with "Mississippi's Image" can be seen in a recent article by a columnist in the Jackson Clarion-Ledger: "Yessir, industrialists who are coming to Mississippi say they are proud to come here. To them, the image of our state is such that they are willing and even eager to stake their future with us."

Both the state and local governments, along with the Mississippi Economic Council, have made tremendous efforts to obtain more manufacturing plants. Aside from advertising the advantages for new industry in their state and local areas, an important part of their effort to get industry to come to Mississippi has been the Balance Agriculture With Industry Program (BAWI). Under the BAWI program any particular community may look for and attempt to bring in an industry that they want by promising to give the industry a place to build and/or buildings in which to set up, and promising that the new industry will not have to pay certain taxes that in most states they would have to pay. If a company agrees, the community may hold an election to determine whether or not the bonds to pay for the place and/or the building for the new industry should be sold. For the bond issue to pass two-thirds of all the qualified voters who vote at the election must vote for the bond issue. Needless to say, very few Negroes in the state can vote for any bond issue, but they do have to pay the increased taxes needed to pay for the bond issue. A result of not being able to vote on the bond issue will be talked about later in this section. In addition to the issuance of bonds, state law permits city governments to let new and expanding firms to avoid paying any taxes on their property for a period of 10 years. Furthermore, when the city or county government pays for the construction of a new building or buildings for a new industry, the industry does not have to pay taxes as long as the city or county government owns the building. Therefore, in many cases the community not only pays for the building in which the factory is housed, but also the industry does not have to pay any taxes for anything else, like new schools and city improvements, and the people pay the cost of the industry plus all other city expenses.

Now, the question must be asked: Has the BAWI program done what it set out to do? To a certain extent it probably has. Certainly new industry has moved into Mississippi since the program started; however, how much of this came because of the BAWI program is difficult to say. When 1500 factory owners that had just moved into the South were asked what had made them decide to move into the South, it was found that the officials of these companies felt 14 things were more important to them than low taxes and financial aid when they were deciding where to put new plants. To what extent have the people benefited from the program? Jobs have been provided; however, most of the companies that have used the BAWI program are clothing, textile or furniture and electrical fixture companies, all of which are kinds of industry that pay low wages. Moreover, the Negro people have not received as many benefits from the BAWI program as the white people. In 1960 only 12 of every 100 of the employed Negro men were working in industry, and 23 of every 100 white men working were working in industry. Furthermore, more than $\frac{1}{2}$ of the Negro men who were working in industry were working in the kinds of companies that pay the lowest wages--furniture, lumber and wood

product companies.

This leads to some very important questions: What might happen to the BAWI program if Negroes were allowed to vote? Should the FDP work to eliminate the BAWI program? Are there ways of providing work for people and still have industry help pay the taxes that the people pay all of now? What are some of the methods that can be used in getting more and better jobs for Negroes in the manufacturing plants? What will be the effect of the increased use of machines rather than men on the problem of more and better jobs?

INCOME

In 1929 in Mississippi most people earned \$510 or less in a year, and this amount was less than $\frac{1}{2}$ of what most people in the rest of the country earned in one year. By 1962 in Mississippi most people earned \$1259 in a year, which was a little more than $\frac{1}{2}$ of what the people in the rest of the country made. Most of the increase in income and the fact that income earned in Mississippi has come closer to income earned in the rest of the United States was done during World War II. At the end of World War II, Mississippi had a per capita personal income (which is a shorter way of saying what most people earn in a year) of almost \$1000 a year, which was about $\frac{1}{2}$ of what most of the rest of the people in the country earned in a year. While per capita income in Mississippi went from \$500 to almost \$1000 in the 15 years between 1929 and 1944, it has grown to only \$1250 a year since 1944. This means that the amount of money that most people in Mississippi made in a year increased almost \$500 from 1929 to 1944, but in the years since 1944--20 years--the amount of money most people in Mississippi made in a year increased only about \$250. This information from the Mississippi Economic Council's booklet "A Blueprint for Mississippi's Economic Progress" clearly shows that the income of most of the people in the state is not growing larger; income for the people in the rest of the country has grown a great deal while Mississippi's has not. In fact, if the poor, unemployed Negro farm workers had not moved to the northern cities in search of jobs, their tragically low pay would have meant the state would have meant that the state would be even poorer than it is now.

It is mostly because of the low farm income that Mississippi has remained so much poorer than the rest of the United States. However, even in industry the wages are much lower than the rest of the nation. In 1963 the usual wage paid per hour for production workers in manufacturing was \$1.73 and the normal wages in the rest of the country were \$2.46 per hour. A booklet published by the Mississippi Power and Light Company tries to explain the low wages in Mississippi by saying that it is cheaper to live in Mississippi than in other parts of the country. The booklet says: "...we in Mississippi do not feel that the prevailing wage rates indicate cheap labor. When all factors behind the cost of living are considered, it is felt that the rates are adequate. Some of these factors are: With plenty of space, gardens will be found at practically every home supplementing cash income. The cost of rent or the construction cost of a home is less because the same labor costs going into construction is less and the type of construction costs less. Storm windows, basements, and

large heating systems are not necessary in this mild climate. Abundance of electricity, natural gas, and water at economical rates. With natural recreational facilities the year-round, this item is also inexpensive. Rural labor will usually consist of wives, sons and daughters of farmers living on the farm and working in the plant. To these families the wages of the plant workers are supplementing farm income and in most cases will mean extra dollars over and above the accustomed existence. Rural labor pool their own transportation, and this item is less costly than in large industrial centers."

The above statement reveals two things which have caused the low wages paid in the manufacturing companies. First of all, Mississippi has a large number of very poor farm families from which to get people who are willing to work for very little money because it is all they can get. This cheap labor, together with the BAWI program, has helped to attract the large number of industries which pay low wages into the state. The second reason that wages are low is that most parts of the state are very much against labor unions being organized. This feeling has caused laws like the Right to Work law--a law which prevents labor unions from organizing well--to be passed in the state legislature. If people were allowed to organize labor unions they could strike and get higher wages. The fact that Mississippi does not like unions, that they want low wages, and that they are proud that the state has poor unions and low wages, is shown by the following statement by the Mississippi Agricultural and Industrial Board, which the governor is the president of: "Mississippi has lost a smaller portion of the total working time because of labor strikes and has had fewer strikes and fewer workers involved in strikes relative to employment than the average state in other areas and in the nation. These facts indicate that Mississippi has had labor-management relations which are above average." The last statement is not true; what these facts do show is that workers are not allowed to organize in Mississippi, and the result is that employers and owners can pay low wages without worrying about the workers getting together to complain.

In 1959 $\frac{1}{2}$ of the people in Mississippi made \$1204 a year or less; however, for the usual income per year for white people was \$2028, while the Negro average was \$724 a year. These facts clearly show that Negroes, for the most part, have not received any benefits from what little industry has come into Mississippi. The Negro men can only get jobs in agriculture, private households--which includes gardeners, chauffeurs, etc.--and the most menial and lowest paying jobs in industry--like janitors, etc. The Negro women can only get jobs as maids, cooks and housekeepers, and some jobs on farms. The facts are that there are not even enough decent jobs for the white workers. Therefore, the Negro workers holding poor jobs threaten the white workers, and businessmen and politicians have used this fact to prevent the poor Negroes and poor whites from getting together and working to improve conditions in the state of Mississippi.

This leads to some very important questions: What can be done to increase job opportunities for Negroes in Mississippi? What can the FDP do to improve working conditions and increase income? Will it ever be possible for the poor Negroes and poor whites in Mississippi to work together to "overcome" those politicians and businessmen that exploit them both? If so, how can this be done?