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## Inflation hits people of color hardest: Rent up so much 'people don't have a place to live'

Lauren Sue Daily Kos Staff: 7-8 minutes



Pictured above is a grocery store in Monterey Park, California, on April 12. Americans paid more for gasoline, food, and other essentials in March amid record inflation made worse by Russia's invasion of Ukraine.

People of color and those who live in rural communities are struggling amid soaring food and gas prices with no end for price hikes in sight, researchers have found. But met with record inflation worsened by Russia's invasion of Ukraine, Black-owned nonprofits are doing what they have done for decades: helping those in need.

Elizabeth Omilami, chief executive of the Atlanta-based, Black-owned nonprofit Hosea Helps, told NBC News more than 600 vehicles got in line for the organization's food distribution program for Easter. "The rent has increased so much that people don't have a place to live," Omilami said. "And the rise in food prices has caused our numbers of people asking for emergency food to almost triple."

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Named in honor of civil rights leader and Omilami's father, Hosea Williams, Hosea Helps partners with local farmers and hotels to provide healthy meals to school children and housing to those in need of shelter, NBC News reported.

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Omilami told Channel 2 Action News the organization is still serving the single moms and seniors it has always prioritized, but it is also opening its arms to a new group of those in need: people who otherwise make a decent living. "It shows that it can happen to anyone," Omilami told the news station. "It can happen to you and you're making \$80,000, \$90,000 a year."

Inflation over the last 12 months increased 8.5% for the period ending in March, according to a report from the U.S. Bureau of Labor Statistics. That increase, which accounts for prices of gasoline, shelter, and food, was the largest since the 12-month period ending in December 1981. Bank of America findings Business Insider reported on last November showed that people of color and those living in rural communities, essentially families earning less with lower savings, were disproportionately affected by inflation shock.

"Inflation hurts lower-income households," researchers wrote. "Namely, less-educated and rural households, those with non-managerial workers and minorities – the most."

President Joe Biden is expected to detail how Russia's invasion is also causing food prices to spike during his trip to a farm in Illinois on Wednesday. He said in statements released earlier in the day that he is traveling to speak to farmers about ways to cut their costs and help them increase their supply and in effect, lower food prices.

"All of this is progress, but the fight against global supply chain issues related to the pandemic and (Russian President Vladimir) Putin's price hike will continue every day," the president said. "Congressional Republicans talk about inflation, but their only plan is to raise taxes on working families, taking even more money out of their pockets.

"If they are serious about inflation, they should send me the bipartisan innovation bill to bolster our supply chains and make more in America, along with legislation that cuts costs and the cuts the deficit, reducing families' prescription drug and utility bills and restoring fairness to our tax code."

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Black, Hispanic, and Latino households spent 7.1% of their after-tax income on energy expenses compared to other demographics that spent 5.4%, Business Insider reported. Related to food expenses, the difference was 12.5% versus 11.1%, and for overall spending power shock, the difference was 4% for Black, Hispanic, and Latino households and 2.9% for all others. Rural communities saw a 5.2% spending power shock, versus urban areas hit with a 3.5% shock.

"All of the high-inflation categories, particularly energy and new & used cars, make up a larger share of the consumption basket for rural households," researchers said. "They also earn and save less than urban households, and so inflation is a bigger drag on their income, and they have less buffer against the shock."

William Darity Jr., a public policy professor at Duke University, told NBC News inflation hits Black communities so hard because the net worth of white households is already more than \$800,000 more than that of Black households. "One of the key indicators of this is the virtually permanent two-to-one ratio in unemployment rates between Blacks and whites in the United States, which I view as a prime index of the degree of discrimination in American labor markets," Darity said.

Anthony Beckford, who leads the Brooklyn Black Lives Matter Chapter, told NBC News food was expensive before inflation and now many families are having to choose between rent and feeding their families.

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Beckford is pushing New York City to back ride-sharing groups and programs like Fair Fares NYC, which provides public transportation discounts for those who meet income requirements.

His organization is also trying to open two community gardens so residents can grow their own food for free.

"When you look at a lot of the food that our community gets, one, most of the food is not fresh as is," Beckford said. "It's like we get the bottom of the barrel type, but yet we get charged way more than many other communities get charged for food items."

A 2014 John Hopkins University study found that "at equal levels of poverty, black census tracts had the fewest supermarkets," while "white tracts had the most." The study also found that large supermarkets, which are less common in Black neighborhoods, provide healthier and lower cost foods than grocery and convenience stores.

"If food prices continue to rise ... there's going to be a lot of families out there going hungry," Beckford said.

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