

## **POLICY BRIEF**

# **Guaranteed Jobs**

By Charlisa Goodlet, Emanuel Nieves, Jeremie Greer, and Alicia Atkinson

"Every man should be concerned that every other man is employed, for only in full employment is the individual laborer assured a job."

- Sadie Alexander. The Role of Negro Woman in the Economic Life of the Postwar South. Florida Agricultural and Mechanical College, 1945.

## **The Problem**

In the wealthiest country in the world, it is unacceptable for anyone to struggle to make ends meet or to live in poverty. This situation is not just immoral, it's appalling. Moreover, nobody should be working and still struggle to pay their bills. Yet, that is the stark reality for millions of workers nationwide. Today, over a third of the country's parttime workers and about 15% of the nation's full-time workers live in or near poverty. And among those working full-time, about 70% receive support from Medicaid and the Supplemental Nutrition Assistance Program (SNAP). Further, among workers receiving these supports, over 90% work in the private sector, including for wealthy and profitable corporations like McDonald's and Walmart, which have the most privatesector workers on food stamps and Medicaid in the country.



#### Share of Part-Time and Full-Time Workers In Poverty and Near-Poverty

Source: Lepage, Brooke. "Part-Time Workers Are Facing Heightened Uncertainty During COVID-and Most Are Women." Fact Sheet. National Women's Law Center. 2022.



Realities like these are hardly surprising in the **Oppression Economy**, where white elites and their institutions use racism to build wealth and perpetuate inequalities. This dynamic has led to a long history of exploiting people of color<sup>1</sup> as a source of free or cheap labor, leaving many trapped in a cycle of abuse and struggle, unable to get ahead. For example, after the abolition of slavery—which generated <u>over a quarter of the income</u> of southern whites just prior to the civil war and from which the <u>"at-will" employment doctrine</u> emerged—roughly 15,0000 Chinese workers helped build the transcontinental railroad. For their backbreaking work, these workers were paid 30% to 50% less than white workers—<u>about a dollar a day</u>—minus food and board.

Three-quarters of a century later, during World War II, the <u>Bracero Program</u> was created to bring Mexican migrant workers to the U.S. for agricultural work. Described as a "<u>system of legalized slavery</u>," Braceros were paid a minimum wage of 30 cents an hour and were subjected to a range of abusive practices, such as systematic wage theft, which <u>have harmed worker protection and wage growth in the agricultural industry</u>. The abuses faced by migrant workers persist today, evident not only in the <u>H-2A visa program</u>, which succeeded the Bracero Program, but also in the <u>continued exploitation of migrant child labor</u>. Driven by an insatiable appetite for cheap labor and a push for higher and higher profits, these and countless other policies have perpetuated a labor market that thrives on exploiting workers of color.

Unfortunately, our nation's long history of oppression has led us, as a society, to become accustomed to the systemic undermining of workers of color, leading to a range of injustices and disparities. For example, the persistently high unemployment rate of Black workers—which has remained double that of white workers for five decades—is widely accepted as a facet of our economy. Racial discrimination in hiring and compensation has become pervasive, while wage theft is all too common in low-wage jobs where workers of color are disproportionately represented. Occupational segregation prevalent among people of color—Black women in particular—leads

<sup>&</sup>lt;sup>1</sup> Throughout this document, we use the terms "people of color," "communities of color," "workers of color," and other similar phrases to refer to Black, Indigenous, Latine, Arab, Middle Eastern, Asian, and Pacific Islander people. We use these terms not to erase the experience of any group but to demonstrate the shared impact that systemic racism and white supremacy have had on us.



many to be <u>"crowded</u>" into <u>low-wage service sector occupations</u> and industries with poor working conditions and job security.



**Source**: U.S. Bureau of Labor Statistics. <u>"Unemployment Rate - Black or African American, White, Hispanic or Latino</u>." Retrieved from FRED, Federal Reserve Bank of St. Louis. 2023.

Our collective tolerance of the marginalization and exploitation of workers of color is also evident in the fact that Black and Brown workers tend to work in jobs with the highest injury and fatality risks. Furthermore, people of color, particularly Black workers, who are more likely than other racial groups to hold multiple jobs, many of which come without the benefits needed to support a family, like healthcare, paid leave, vacation, and retirement. Ultimately, the consistent failure of our labor market to support and protect workers of color and its inability to provide quality, well-paying jobs to people of color is not an aberration of our system but a defining feature of it.

To build a <u>Liberation Economy</u> that serves the basic needs of people of color, where we find safety and security, and where we are valued, we must reset the landscape for workers of color and other marginalized communities. We can do this by establishing a **Federal Job Guarantee** that would make employment a right, ensuring that everyone who wants and is able to work has a job available to them. Doing so would not only eradicate income-based poverty but also move the nation toward achieving true full employment, where the unemployment rate for workers of color, and by extension, all of us, is zero.



## The Policy Solution and Potential Benefit to People of Color

While the idea of establishing a national right to employment may seem radical and unrealistic, it is neither unprecedented nor impossible. In fact, from 1933 to 1943, the U.S. government implemented several policies aimed at providing a job for anyone who wanted and needed work. This was done through programs such as the <u>Civilian</u> <u>Conservation Corps</u> and the <u>Works Progress Administration</u>, which aimed to achieve full employment in the aftermath of the Great Depression. Together, these two programs employed over 11 million workers during their existence, leading to numerous accomplishments, including the construction and improvement of 650,000 miles of roads, 124,000 bridges, 85,000 public buildings, 39,000 schools, 8,000 parks, and 4,000 utility plants.

Building on these and other efforts, including <u>President Franklin D. Roosevelt's push in</u> <u>1944 to establish employment rights and the right to earn enough for economic</u> <u>security</u>, as well as the demands made by the <u>Black Panther Party</u> and <u>Dr. Martin Luther</u> <u>King Jr.</u> during the 1960s to guarantee jobs for all, a Federal Job Guarantee would strive to provide all workers with access to stable, meaningful, productive, and socially beneficial employment. This would create a true right to work, injecting a muchneeded public option into the labor market to improve wages, benefits, and working conditions for all workers, especially workers of color. By doing so, <u>we could empower</u> <u>workers and eliminate workplace discrimination and other harmful realities that</u> <u>disproportionately affect people of color</u> in our labor market.

Considering the failures of our current labor market, a Federal Job Guarantee would ensure that workers of color are fairly valued, compensated, and protected. This would be achieved through fair, non-poverty wages, robust worker protections, and benefits such as paid leave and health insurance. If designed and implemented with people of color at its center, a Federal Job Guarantee would lead us toward a Liberation Economy.

## Moving Toward Liberation: Guaranteed Jobs Policy Design

When considering crucial policy design choices and features of a Federal Job Guarantee, the <u>framework outlined</u> by economists Mark Paul, William Darity Jr., Darrick



Hamilton, and Khaing Zaw provides a solid foundation. Based on their proposals, we agree that a Federal Job Guarantee should include the following fundamental features:

- **Universal job access:** Every adult over the age of 18 years has a guaranteed right to work, ensuring no one is not left behind or excluded from the labor market.
- **Guaranteed benefits:** All workers are provided with a set of fringe benefits designed to sustain and support their personal and economic lives. These include health insurance, retirement plans, paid family and sick leave, and paid vacation.
- **Socially useful jobs:** All employment opportunities provided through the Job Guarantee program are focused on <u>socially useful jobs</u> aimed at maintaining and expanding the nation's physical and human infrastructure.
- **Centrally administered and locally coordinated:** The program is overseen by a central federal institution tasked with eliminating poverty wages and persistent involuntary unemployment, and with setting a true labor market.
- **Training and skill development:** All workers are provided with training and skill development to acquire needed skills, enhance their abilities, and expand their long-term career prospects.
- Federally maintained jobs bank: A comprehensive and publicly accessible list of jobs, project banks, and opportunities is maintained by the federal government to support administrators in matching available jobs with local workers.

Overall, the cost of the Paul, Darity, Hamilton, and Zaw proposal is estimated to be approximately \$543 billion per year. Although substantial, the federal government could more than cover such a crucial investment by <u>closing existing tax loopholes</u>



used by wealthy individuals and large corporations, which each year costs the government \$1 trillion dollars of lost revenue.

While a Federal Job Guarantee will not single-handedly undo generations of injustice and exploitation in our labor market, provisions like the ones listed above for establishing a right to employment can help move us away from the current <u>Oppression Economy</u> toward a <u>Liberation Economy</u>. Still, to ensure that we move in this direction and do not perpetuate existing inequities in our labor market that have marginalized Black and Brown people—leading us to be "first ones fired, last ones hired," among other disparities—it is crucial that the framework of a Federal Job Guarantee center the needs of people of color who have long been overlooked, dismissed, and suppressed in our labor market.

However, the impact of a bold policy idea such as a Federal Job Guarantee will greatly depend on how it is designed. For example, a Federal Job Guarantee could be designed and implemented as **race-specific reparations**, meaning its provisions are offered exclusively to people of color who've been victimized by America's legacy of white supremacy and systemic racism. Alternatively, it could also be designed through a **race-conscious approach** that uses income as a proxy to target support to those with the least resources,<sup>2</sup> or it could be implemented through a **universal approach**, meaning that support is broadly available to all. While any of these approaches will certainly benefit people of color, some will better allow a Federal Job Guarantee to serve as a more powerful vehicle for addressing generational harms that have been perpetuated against workers of color in this country.

<sup>&</sup>lt;sup>2</sup> Ideally, using wealth as a proxy to target support would better serve to uplift communities of color. Unfortunately, as of today, governments—at both the federal and state level—have not developed reliable and consistent methods to value assets and track wealth over time as they have for income.



Race-Specific Reparations	Benefits <b>ONLY</b> Black, Indigenous, Latine, Arab, Middle Eastern, Asian, and Pacific Islander communities		i.e., people who've been victimized by America's legacy of white supremacy and systemic racism	
Race-Conscious Approach	Benefits Black, Indigenous, Latine, Arab, Middle Eastern, Asian, and Pacific Islander communities	+		White people within chosen income ranges
Universal Approach	Benefits Black, Indigenous, Latine, Arab, Middle Eastern, Asian, and Pacific Islander communities	+		All white people including wealthy white people

Although not exhaustive, the additional ideas listed below could further ensure that a Federal Job Guarantee better serves and prioritizes the needs of people of color.

- Job placement priority for historically marginalized, oppressed communities: As a race-specific reparations policy design feature, a Federal Job Guarantee program must prioritize job notice and placement for workers of color. Other marginalized groups should be given priority as well. Additionally, any situation that may require a Federal Job Guarantee program to scale down (i.e., during periods of significant economic growth) should ensure workers of color are the last to be impacted. To achieve these goals, we could leverage our current infrastructure under the Workforce Innovation and Opportunity Act to quickly match historically marginalized workers with local employment and public-need opportunities. We could also leverage this infrastructure to provide these workers with pathways into well-paid jobs in the private sector that offer benefits and growth opportunities and that prioritize worker dignity and safety.
- Unconditional worker eligibility and expanded job opportunities: Job access within the program should be universal and unconditional and should not exclude



workers for arbitrary reasons, including immigration status, involvement in the carceral system, gender identity, sexuality, and ability. In other words, a Federal Job Guarantee should not include drug testing requirements, background checks, or other discriminatory employment barriers rooted in barring candidates of color from work.

Further, a Federal job Guarantee should not exclusively focus on physically demanding labor, which could shut out people with disabilities and others with unique challenges from employment opportunities. Thus, as remote jobs continue to become more prevalent, a Federal Job Guarantee should provide workers with opportunities to contribute through remote or telework positions.

- Inclusion of a living wage for all workers: Rather than providing non-poverty wages, a Federal Job Guarantee should provide workers within the program with a living wage that takes into account local costs of living and household size. By taking this approach, workers can cover the costs of basic needs for themselves and their families, regardless of where they live and how many people in their household are working.
- Guaranteed and meaningful fringe benefits for all workers: To address the labor market's current bifurcation, where only full-time workers are eligible for benefits and receive living wages while many workers must patch together multiple jobs to make ends meet, a Federal Job Guarantee program must also ensure greater parity among full-time, part-time, and temporary workers. To do this, a Federal Job Guarantee should extend fringe benefits to all workers regardless of employment status. This is crucial, considering that <u>approximately 22% of the nation's workforce-totaling 32.1 million-work part-time</u>. These positions are often held by younger workers, women, workers with children, and people with disabilities.

Additionally, fringe benefits provided to workers within the program should be at least equal to those offered to federal employees and federal elected officials, whichever is of higher quality and value. Further, fringe benefits should also include



family and dependent care, life, health, dental, vision, and other benefits currently provided to federal civil servants and elected federal officials.

- Extension of union protections for all workers: Union protections and collective bargaining rights should be extended to all workers within the program, regardless of their employment status.
- Long-term services and supports for workers with disabilities: To reduce disparities between disabled and non-disabled people, a Federal Job Guarantee program should actively prioritize the needs of workers with disabilities. For example, fringe benefits offered through the program should include integrated mental health services and other essential supports at no cost to people with disabilities, along with comprehensive long-term wraparound services. Additionally, workers with disabilities should receive additional economic support, such as a supplemental stipend, to offset the additional costs associated with having a disability.

A Federal Job Guarantee program should also ensure that all workers with disabilities have access to meaningful and suitable employment, regardless of their disabilities. In cases where this is not possible, a Federal Job Guarantee program should provide supplementary weekly cash assistance, building on <u>a Job</u> <u>Seekers' Allowance</u>, to support those unable to participate in the program due to temporary or newly acquired disabilities.

Protections from being denied access to other public supports: While a Federal
Job Guarantee program would, in theory, eliminate the need for social safety net
programs, it is essential to ensure that the program does not prevent workers within
the program—especially our most vulnerable workers—from achieving greater
economic security and mobility. Therefore, regardless of the level of support
provided to workers, a Federal Job Guarantee program should ensure that workers
have the freedom to access public assistance, move up the employment ladder,
or transition to the private sector if and when they choose to do so, without
oppressive restrictions or concerns for their long-term economic security.



Beyond the core implementation of a Federal Job Guarantee, policymakers and advocates should consider additional measures to maximize the program's impact on communities of color. For example, one such measure could involve barring private employers from discriminating against Federal Job Guarantee program participants when they transition to the private sector.

### The Road Ahead to Liberation

Eradicating poverty and inequities in our labor market will require structural policy change. But not all policies will dismantle the <u>Oppression Economy</u> and build toward a <u>Liberation Economy</u>, nor will they come to fruition on their own. As a national movement-support organization building the power of people of color to totally transform the economy, we believe those closest to the problems are best suited to develop, shape, and advance the solutions that will get us to where we need to go.

This brief, <u>which is part of an ongoing series of resources</u>, aims to provide organizers with bold policy platforms and policy design frameworks that can be used to guide conversations with their communities and policymakers about how policy can be shaped to advance racial justice. We invite you to use and refine the information in this brief in whatever ways are most helpful for your work and your community. We also invite you to further develop this idea with <u>Liberation in a Generation</u>.

To build a Liberation Economy in one generation, we must ensure that advocates, community organizers, residents, and other proven and emerging leaders of color are empowered and at the center of the work to create an economy where all people of color can truly prosper.

©2024 Liberation in a Generation. All rights reserved.

Liberation in a Generation is a national movement support organization building the power of people of color to totally transform the economy—who controls it, how it works, and most importantly, for whom. We bring together advocates, community organizers, economists, and other proven and emerging leaders of color across the country to build a Liberation Economy, within one generation.