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HOUSE DEMOCRATIC POLICY COMMITTEE

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House of Representatives
COMMONWEALTH OF PENNSYLVANIA
HARRISBURG

HOUSE DEMOCRATIC POLICY COMMITTEE HEARING

Topic: Bold Budget Innovations

Chestnut Hill College – Philadelphia, PA

November 29, 2017

AGENDA

- 2:00 p.m. Welcome and Opening Remarks
- 2:10 p.m. Panel One – Economic Security (Universal Basic Income; Baby Bonds):
- Ioana Marinescu, PhD, Assistant Professor, University of Pennsylvania School of Social Policy & Practice
 - Darrick Hamilton, PhD, Associate Professor of Economics and Urban Policy, The New School
- 2:30 p.m. *Discussion and Questions from Committee Members*
- 2:40 p.m. Panel Two – Environmental Stewardship (Carbon Fee and Dividend Policies):
- William Mettler, Volunteer, Citizens' Climate Lobby
 - Luke Taylor, PhD/MBA, Associate Professor of Finance, The Wharton School
- 3:00 p.m. *Discussion and Questions from Committee Members*
- 3:10 p.m. Panel Three – Justice Restoration (Criminal Justice Reform):
- James Dennis, Returning Citizen
 - Bobby Harris, Returning Citizen
 - Marie Gottschalk, PhD, Professor of American Politics, University of Pennsylvania
- 3:30 p.m. *Discussion and Questions from Committee Members*
- 3:40 p.m. Question and Answer Session from Audience
- 4:00 p.m. Closing Remarks

Basic Income Factsheet

- Median household income in PA was \$55,702 in 2015, \$73 below the national median household income
- In 2010, the highest income districts in Pennsylvania had 2-3 times the median income of the lowest income districts.
- Blacks and Hispanics are three times as likely as Whites to have income below the poverty rate.
- Nearly 1 in 5 (19%) of Pennsylvanians under age 19 were living in poverty in 2014.
- Heart disease and mortality rates are higher than the national averages, and the opioid epidemic has hit Pennsylvania hard.
- Pennsylvania's GDP is about \$719.8 billion, 6th largest in the United States.
- Between 1979-2011, the top 1% of Pennsylvania income earners' wages increased 10 times as much as the bottom 99% of income earners.
- The top 1% of Pennsylvania income earners receive about one fifth of all PA income.
- Although graduated income tax is currently prohibited by the Commonwealth's constitution, graduated tax on non-wage income is permissible and would primarily impact high earners.
- In 2016-2017, the top 1% of Pennsylvanians earned 42.9% of Pennsylvania income, more than any point in the past 70 years and double the level of 1979.
- If PA had enacted a \$12 minimum wage, the lowest 10% of Pennsylvania earners would have received an additional \$362 million in wages over the subsequent 12 months.
- Wages at the 10th percentile grew 0.8%, relative to 3.8% growth for Pennsylvania's regional neighbors.
- Wage growth at the 80th and 90th percentile is 4% & 8% over the past 9 years; at the 70th, 1.5%; every other level declined except the 10th percentile, which increased less than 1%.
- Over the past 38 years, the median wage in Pennsylvania has only grown an inflation-adjusted 6% total, or 2 cents a year for the median wage of \$15 an hour.
- Studies have found minimal, if any negative employment rate effect from increasing wages or from basic income itself.

The Effects of Unconditional Cash Transfers: lessons for a Universal Basic Income

Testimony prepared by Ioana Marinescu, University of Pennsylvania School of Social Policy & Practice, and National Bureau of Economic Research

Providing cash directly to individuals has often been met with criticism, suspicion, and fear: the thinking goes that people who need financial assistance are not to be trusted, as their financial position reflects a moral failing rather than a societal one. Are these objections to cash transfer programs rooted in myth or empirical evidence? As the debate about a universal basic income gains prominence, it is important to set the record straight about the behavioral effects of unconditional cash assistance.

In a review of the evidence¹, I explore how unconditional cash transfers affected the behavior of recipients in three major natural experiments. While the amounts dispersed and time periods were distinct in each experiment, each provided money without set conditions and without a means test. I synthesized data for the following outcomes: consumption; labor force participation (employment, hours worked, and earnings); education; health; and other social outcomes, such as marriage or fertility choices. Each of these programs shares different components of a **universal basic income (UBI), a cash transfer that everyone within a geographic/political territory receives on a regular basis with no conditions on a long-term basis**. By understanding the effects of these programs, we can generate answers to how an unconditional cash transfer program might affect recipients in the future.

We review the empirical results from the **U.S. and Canadian negative income tax experiments, the Alaska Permanent Fund Dividend, and the Eastern Band of Cherokees casino dividend program**, as well as a few other assorted studies. While all of these programs provide unconditional cash transfers, only the negative income tax experiments guaranteed enough money to live on. The negative income tax experiments ensured recipients would receive up to \$25,900 in today's dollars, but the program also imposed high tax rates on earned income and reduced the benefit the more recipients earned. The Alaska fund provides an average of one to two thousand dollars annually to all Alaskan residents and the dividend is taxed at the regular income tax rate. The casino dividends provide an average of four thousand dollars and is also unaffected by earned income. An overview of the empirical results follows.

Working: unconditional cash transfers have a small or no effect on work

- Overall, the programs analyzed suggest either no effect on labor market supply or a slight reduction in work and earnings. The evidence does not suggest an average worker will drop out of the labor force when provided with unconditional cash, even when the transfer is large.
- The effect on employment in the negative income tax experiments was generally not statistically significant, except for the largest experiment site, which saw a 4 percentage point decline in the employment rate. On average, the reduction in hours worked for all experiments was between two weeks (for husbands) and four weeks (for youth) of full-time employment over a year. People who participated in the largest experiment experienced a 4.6 percent reduction in employment

¹ Marinescu, "No Strings Attached: The Behavioral Effects of U.S. Unconditional Cash Transfer Programs."

and 7.4 percent reduction in earnings (\$1,800 annually) for treated individuals over many years after the experiment ended, perhaps due to earlier retirement.

- The casino dividend had no impact on the labor supply of participants.
- The Alaska dividend has no impact on the employment-to-population ratio in Alaska compared to control states. The program increases the share of Alaskans who work in part-time jobs by two percentage points.
- Because neither the casino nor Alaska dividend programs provide sufficient income to replace earned income, we augment the negative income tax research on labor outcomes with an analysis of lottery winners. According to this body of work, the overwhelming majority of recipients of windfall cash disbursed annually do not drop out of the labor force. While many lottery winners reduce the number of hours worked, the majority remain in the labor force.
- The research finds a \$100 increase in income leads to an \$11 decrease in earnings based on lottery winners and negative income tax experiment participants, or no decrease at all in the case of the casino payments.

Consumption: unconditional cash transfers increase consumption

- The negative income tax experiments in two rural states showed positive impacts on the quality of nutrition, suggesting an increase in spending on food. Otherwise, data on consumption was not collected.
- Receiving an Alaska dividend affected the timing of consumption, as recipients consumed significantly more on non-durables and services the month they received a dividend.

Education: unconditional cash transfers increase education

- School attendance, grades, and test scores for the children of negative income tax recipients were typically higher than the control population, especially for younger and poorer children. The Canadian program lowered dropout rates for 11th graders.
- An additional \$4,000 per year for the poorest households in the casino dividend program increased educational attainment by one year.

Health: unconditional cash transfers improve health and lower addiction

- The Canadian negative income tax was the only experiment to track health outcomes, and it found that recipients experienced an 8.5 percent decrease in hospitalizations compared to the control group, especially for mental health, accidents, and injuries.
- Casino dividend payments improved mental health among Native American recipients relative to non-Native participants in a longitudinal study. Once they reached adulthood, children who received casino dividends were significantly less likely to experience alcohol or cannabis use or dependence.
- There is little to no impact on health outcomes for Swedish lottery winners, likely because of the universal healthcare system in the country.

Criminal activity: unconditional cash transfers lower criminal activity

- Self-reported criminalized activity decreased among recipients of the EBC casino dividend, particularly for minor crimes and drug-dealing activities. Children also reported more positive interactions with parents. Casino payments did not change household composition or marital status.

In sum, the effects of unconditional cash transfers vary depending on program design, but there is either no impact on or a moderate decrease in labor participation and a significant increase in other quality-of-life benefits (mental and physical health, education outcomes, parenting, reduced criminal activity, etc.).

02.04.2017

Why We Need a Federal Job Guarantee

MARK PAUL / WILLIAM DARITY JR / DARRICK HAMILTON

Giving everyone a job is the best way to democratize the economy and give workers leverage in the workplace.

U

niversal basic income (UBI), an annual government-sponsored payment to all citizens, has been gaining traction across the American political landscape. Andy Stern, former Service Employees International Union president, believes the program will counteract the “acceleration of technology” that he thinks will likely create “work but not reliable jobs or incomes.” On the Right, the American Enterprise Institute’s Charles Murray argues that we should replace the “entire bureaucratic apparatus of government social workers” with a UBI.

Other heavy-hitters agree it’s worth discussing. Robert Reich’s recent video calls on the government to provide a minimum payment for every citizen. President Obama told *Wired* that the United States will have to debate UBI and similar programs “over the next ten or twenty years.”

The renewed attention makes sense: UBI would cover workers who, thanks to technological progress, have lost their jobs. One often-cited report tells us that 47 percent of all jobs are at risk of being automated. Yet existing social insurance programs are insufficient. The current array of programs — such as unemployment insurance, the earned income tax credit, and the Supplemental Nutrition Assistance Program — help many Americans, but over forty-three million people still live below the poverty line. Children are among the most vulnerable, with nearly half living at or near poverty.

The UBI represents one way to fight increasing deprivation. But another potential intervention — the federal job guarantee (FJG) — might be a far more promising demand.

A job guarantee is not a new idea. It has been part of the American conversation at least since populist governor Huey Long put forth his Share Our Wealth Plan. In 1934, he argued that the United States should use public works to ensure “everybody [is] employed.” These calls were echoed by politicians from Roosevelt in his Economic Bill of Rights to George McGovern during his 1972 presidential bid. Martin Luther King also stumped for a job guarantee, demanding immediate “employment for everyone in need of a job.” He saw “a guaranteed annual income at levels that sustain life and decent circumstances” as the second-best option.

Here are five reasons to agree with him.

1. A job guarantee means fewer poor Americans.

A job guarantee would reduce poverty more quickly and provide more benefits than a UBI. To ensure a sufficient income, we argue for a FJG that would pay a minimum annual wage of *at least* \$23,000 (the poverty line for a family of four), rising to a mean of \$32,500. This would eliminate the “working poor” for full-time working households. In addition to the wage, workers in the FJG program would receive health insurance and pension benefits in line with those that all civil servants and elected federal officials receive.

In comparison, many of the UBI proposals promise around \$10,000 annually to every citizen (for an example, see Charles Murray’s proposal here). On the one hand, this plan would break the link between employment and money. But it does so at *half* the rate that would be available under the FJG, not even considering lifesaving benefits like health insurance.

2. The robots haven’t taken over yet. We still need workers.

The dangers of imminent full automation are overstated: there is little evidence that companies are largely replacing human workers with robots. As Dean Baker explains,

If technology were rapidly displacing workers then productivity growth — the rate of increase in the value of goods and services produced in an hour of work — should be very high, because machines are more efficient. In the last

decade, however, productivity growth has risen at a sluggish 1.4 percent annual rate. In the last two years it has limped along at a pace of less than 1 percent annually. By comparison, in the post–World War II “Golden Age,” from 1947 to 1973, productivity grew at an annual rate of almost 3 percent.

No doubt, stable and high-paid employment opportunities are dwindling, but we shouldn’t blame the robots. Workers aren’t being replaced by automatons; they are being replaced with other workers — ones lower-paid and more precariously employed. Nevertheless, technology, and globalization, have struck fear into American workers.

Not because they are by nature a raw deal, but because the balance of forces over the last few decades has been skewed so dramatically in the favor of capital. Technology, nor globalization, need have negative employment effects on workers — but they certainly can. It’s time to get the rules right, and ensure workers are provided the dignity of a job. A federal job program would solve the real problem, while UBI would simply treat a side effect.

3. A FJG could build an inclusive economy.

Conventional wisdom holds that people dislike work. Introductory economics classes will explain the disutility of labor, which is a direct trade-off with leisure. Granted, employment isn’t always fun, and many forms of employment are dangerous and exploitative. But the UBI misses the way in which employment structurally empowers workers at the point of production and has by its own merits positive dimensions.

This touches on a heated debate on the Left. But for now, there is no doubt that people want jobs, but they want *good jobs* that provide flexibility and opportunity. They want to contribute, to have a purpose, to participate in the economy and, most importantly, in society. Nevertheless, the private sector continues to leave millions without work, even during supposed “strong” economic times.

The workplace is social, a place where we spend a great deal of our time interacting with others. In addition to the stress associated with limited resources, the loneliness that plagues many unemployed workers can exacerbate mental health problems. Employment — especially employment that provides added social benefits like communal coffee breaks — adds to workers’ well-being and productivity. A federal job guarantee can provide workers with socially beneficial employment — providing the dignity of a job to all that seek it.

The FIG would also act as a de facto wage floor — private employers will have to offer wages and benefits at least as enticing as the federal government to attract workers. There has been extensive public support for recent increases in the minimum wage, such as the Fight for \$15 campaign, demonstrating that most Americans believe workers deserve a living wage. Fighting for a higher minimum wage is an important step to ensure that workers are compensated a living wage rather than a poverty wage, yet let us not forget that the effective minimum wage in this country without a UBI or a job guarantee is \$0. This must change.

Finally, some argue that a “skills mismatch” explains why some workers remain unemployed. While we reject that narrative, a well-designed FIG will nevertheless include a training element to build workers’ skills and a jobs ladder to create upward mobility in the workplace.

All of these elements will build an inclusive economy that provides good jobs for all. The UBI, in contrast, could subsidize bad jobs — allowing low minimum wages and lack of benefits to persist.

4. Federal jobs could provide socially useful goods and services.

During the Great Depression, the Works Progress Administration (WPA) and Civilian Conservation Corps (CCC) were public employment programs designed to put Americans back to work after the national unemployment rate reached 25 percent. These programs, implemented under the Roosevelt administration, provided socially beneficial goods and services that benefited all Americans. Some of our national parks — Zion, Glacier, and Shenandoah — received substantial work contributions from employees of the federal jobs programs. The Blue Ridge Parkway was a federally funded and staffed infrastructure program.

A new federal job guarantee could undertake similarly bold and much-needed public-works projects.

The American Society of Civil Engineers gave the United States a D+ in infrastructure and prices necessary repairs at \$3.6 trillion. This lack of investment has lowered employment rates, cost businesses sales, and reduced incomes for American families. Make no mistake, these are government choices. They could choose instead to hire unemployed workers to repair bridges, maintain roadways, and update power grids.

Likewise, Bill McKibben just called for us to “declare war” against climate change. With climate change being perhaps the largest threat to our well-being, bold action is

needed. The job guarantee program would create the capacity to do just that. Professor Robert Pollin of the Political Economy Research Institute calls for scaling up the transition to a green economy, which would create millions of new jobs along the way. He and his colleagues estimate what a Green New Deal would look like, and find that a transition to a green economy would amount to an estimated \$200 billion in investment annually, resulting in a drop in “US emission by 40 percent within 20 years, while creating a net increase of 2.7 million jobs.” In part, this is due to the labor-intensive nature of energy efficiency and other “green” investments.

Additional services, when combined with a FJG, would save average American households thousands, if not tens of thousands, a year. According to the Economic Policy Institute, for example, tuition-free and universal child care and education — staffed by FJG workers — would trim an average of \$22,631 annually from families’ budgets in expensive places such as DC while saving households in places like Arkansas a more modest \$5,995 on average.

To be sure, a UBI would free up time to volunteer, to care for sick relatives, or to start small businesses. Additionally, the UBI would finally provide greater financial freedom to those that choose to stay at home and engage in care work — disproportionately provided by women. However, the FJG has the ability to provide high quality services, such as child care and elder care, that would greatly reduce the care burden, providing more choice while building on the current social safety net.

5. It’ll stabilize the economy.

A FJG would bring us much closer to actual full employment, not the neoclassical full employment that subjectively allows for some optimal frictional unemployment. Most contemporary economists rely on the non-accelerating inflation rate of unemployment (NAIRU) to calculate this less-than-full employment artificial statistic which functions as a disciplinary tool of the bourgeoisie, but this, according to Roger Farmer is “an idea past its sell-by date.”

By full employment, we mean simply that everyone seeking a job gets one. We’d wager that if you asked the average American what full employment means to them, they’d give you a similar answer — a job for all. Indeed, a plurality of Americans will also tell you they support a FJG.

The UBI would likely still leave a substantial segment of the population in poverty. As Belgian philosopher Philippe Van Parijs, one of the most prominent UBI advocates, acknowledged, even a large payment through the UBI won’t necessarily secure a comfortable living for all citizens. How about those without jobs, or those

who earn below subsistence wages? Of course, a UBI coupled with a non-poverty wage option and strong unionization could seriously combat poverty. The UBI would eliminate the effective minimum wage of \$0 currently offered in the United States, though it would fail to provide adequate employment for all that demanded it — a crucial shortfall of such a program.

A FJG is a sounder mechanism to combat structural inequalities, for instance through closing the persistent unemployment gap experienced by stigmatized groups who face continued discrimination. (Note, since 1972 unemployment has average double digits for black workers and has *never* fallen below 7 percent — a level that is only reached during times of economic crisis — for white workers).

Further, the FJG will have a strong macroeconomic stabilization effect. During economic downturns, it would expand and hire more people; it would then shrink during economic boom periods as people move from public to better-paying private employment. Pavlina R. Tcherneva, a leading voice on the FJG's macroeconomic effects, argues that policies like the UBI have no counter-cyclical features. Thus, when the economy takes a downturn — say as it did in 2007 — basic incomes provide no automatic stabilizers to right the sinking ship.

This is good for the economy as a whole. Rather than expanding the unemployment insurance rolls during economic busts, the FJG would put folks to work and moderate the business cycle. Federal workers' paychecks will increase demand, which will increase economic growth. Many economists agree that today's secular stagnation — insufficient demand — is contributing to continued "lackluster" growth after the Great Recession. Only modest upticks in growth for the foreseeable future will come if we continue the status quo.

Finally, as a less costly program a FJG might be easier for a future left government to enact. Some estimate that basic income could easily cost more than \$3 trillion each year, while others say it will only come to \$2.7 trillion. The FJG, on the other hand, will cost orders of magnitude less. Even if we conservatively guess that fifteen million unemployed workers need jobs, funding the FJG would take about \$750 billion.

We want to build an inclusive economy. The FJG will build an economy that serves the working class more efficiently and effectively than the UBI.

The benefits will be immediately and broadly distributed. The FJG will directly target the unemployed — remedying a key predictor of poverty. By providing universal employment, it will also counteract employers' systematic discrimination against ex-offenders, recent military veterans, and certain racial groups. Furthermore, through providing a guaranteed job, workers will be emboldened to take new actions in the private sector. This could be just the policy to reinvigorate the labor movement,

spurring unionization drives to improve working conditions. These benefits will result in the federal jobs raising beneficiaries and their families above the poverty line. The UBI can make no such guarantee.

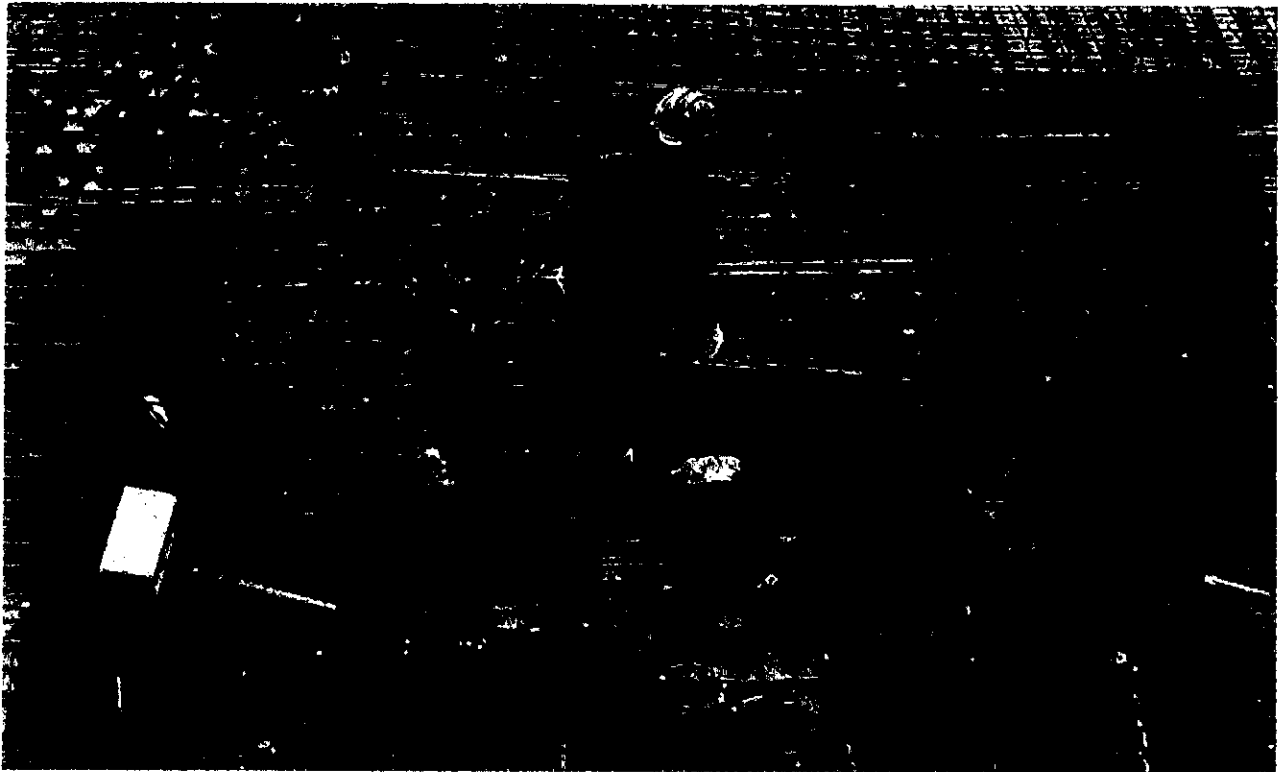
Not only would a federal job guarantee bring justice to the millions who desire work, but it would also address the long-standing unjust barriers that keep large segments of stigmatized populations out of the labor force.

Finally, it would reverse the rising tide of inequality for all workers. By strengthening their bargaining power and eliminating the threat of unemployment once and for all, a federal job guarantee would bring power back to the workers where it belongs.



How Cities Can Do Better Than the Fight for \$15

It's time for cities to reverse a shrinking workforce and build resilience in the face of climate change.



"The time is now for the creation of full-employment cities through municipal job guarantees."

Photo by Guilherme Cunha/Unsplash.



Alan A. AjaWilliam A. Darity Jr.Darrick Hamilton posted Oct 06, 2017

COMMENTARY

As we head into election season for municipal offices, candidates running for local city councils and mayor's offices need a bold offensive strategy in order to reverse a shrinking workforce, growing pools of contingent workers who are vulnerable to volatile and low wages and reduced work hours, and to curb persistent labor market discrimination.

This will require transformative state and local policies to counter the hostility of the Trump administration, which has issued threats to defund cities that do not cooperate with draconic executive orders, pursued increasingly invasive and insidious deportation tactics by Immigration and Customs Enforcement agents, developed budget plans that drastically cut or eliminate essential public services, promoted tax plans that would exacerbate our trajectory toward rising inequality, and paid subtle (and not-so subtle) homage to white supremacist ideology and other threats to economic, ethnic and sexual orientation inclusion.

The current anthem on the left in response to this simply has been to "resist." Resistance is vital but not enough. The time is now for the creation of full-employment cities through municipal job guarantees (MJG).

The MJG could employ people across different public service sectors.

The implementation of the Fight for \$15 minimum wage campaign is indicative of an offensive strategy, but it is not nearly bold enough. It still leaves many workers unemployed or out of the workforce altogether, particularly those stigmatized by race, disability, or former

incarceration status. Nor does it address the volatility of work hours and employment duration associated with an increasingly precarious labor economy.

Also, it does not address our 21st-century physical and human capital infrastructure needs, which will require substantial public investment, especially in the context of the need for more sustainable, resilient cities as we suffer the adverse effects of global climate change. A local strategy that would address these needs is implementation of a municipal job guarantee.

To be clear, an MJG is more extensive than local government job training or search-assistance programs, which do not ensure employment, and temporary civic job corps, including those geared toward youth summer employment.

Our proposal is for a permanent “public option” employment program with public purpose that offers a living wage plus benefits to any worker who cannot find decent employment in the wider labor market.

The MJG could employ people across different public service sectors, especially in light of an ailing national infrastructure, under-resourced commons and growing elder care needs. Jobs can range from construction, education and health services, supportive housing, libraries, child and elder care, sanitation, parks and recreation to projects generally designed to transform cities toward green, emission-free, municipalities.

An MJG program also would include training programs and professional development, provide physical and mental health coverage, family leave options and a vested pension, and promotion opportunities via an internal job ladder. It would ensure a participant all the rights to collective bargaining, or to affiliate with a public sector-based union similar to other municipal workers.

As an example, given shrinking fiscal support for public education, the MJG could employ trained, qualified, living wage earning, full-time workers to serve as auxiliary support alongside veteran teachers, staff and administrators of under-resourced schools, or help build more public educational facilities altogether through a larger “green infrastructure” corps.

An MJG also could work with disability-centered advocacy groups to facilitate more long-term solutions toward dignified employment, livability and financial independence. The same aims could be incorporated into programs designed to employ the formerly incarcerated. Current programs targeting unemployed groups often focus on skill building and training, but leave intact numerous structural barriers to gainful employment, including direct discrimination.

An MJG could be fiscally implemented in many ways, with a genuine life-changing effect on the unemployed to those who currently are earning poverty wages (\$24,600 per year for a family of four) or less. For example, a smaller southern city like Durham, North Carolina (with approximately 306,200 total population), currently has about a 4 percent unemployment rate (about 6,400 people), and about one-fifth of its population makes less than \$25,000 per year.

If we were to focus on the jobless only, at an average expense of \$55,000 per MJG employee (which would include an individual's salary, benefits, materials, supplies, supervisory costs, and training costs), the program would cost about \$352 million per fiscal year. This alone would represent a sizable portion of the city's yearly \$430 million budget.

Larger urban contexts have greater resource for full local funding of a job guarantee.

Thus to produce a full-employment city, a smaller municipality may have to be creative relative to needs, costs, and demographic trends, perhaps implementing the job guarantee first on a smaller scale by targeting the neighborhoods with the highest unemployment rates.

Such a phased version of the program could be combined with initial targeting of individuals earning poverty-level wages. Residency requirements would be necessary at the local level to determine who is eligible for the MJG; we recommend at least five years of consecutive established residency in the municipality. If a person

were displaced (by eviction, for example) from an MJG-focused low-income neighborhood in the municipality, specifically one recently or undergoing rapid gentrification, the length of residency requirements could be waived.

Larger urban contexts have greater resource for full local funding of a job guarantee. For example, New York City's latest unemployment rate in June was 4.4 percent, representing roughly 185,000 people. To enable all of those persons to work, the cost of the MJG would be around \$10.1 billion annually, representing about one-eighth of the city's \$85.2 billion budget for 2017-2018. Not incorporated in the calculus are all the psychological and social benefits that come along with a job to recipients, their families and their communities.

Regardless of plan for budgetary expenditure, phasing in access to the program for all residents should be in place at the outset, providing space for the mobilization of future tax revenues to simultaneously focus on the unemployed to those working in dead-end, low-paying jobs without health benefits.

It is important to point out that in Chicago, Mayor Rahm Emanuel has announced a policy that high school degrees will be withheld unless young people have documented plans via college acceptance, military service, or a job offer. Similarly, in New York state, Gov. Andrew Cuomo has implemented the new Excelsior Scholarship, guaranteeing a tuition-free enrollment at the City University of New York if students meet a set of merit-based criteria. The policy requires a graduate to live in New York state for four years post-graduation or pay back their tuition.

Withholding degrees for the jobless or forcing residency requirements post-graduation is punitive and nonsensical without guaranteed employment. It is a public responsibility to provide free, quality education as it is to provide quality jobs through a permanent, livable-wage, municipal job guarantee.

At present, the Trump administration's jobs and infrastructure plan cajoles the private sector into hiring more workers and rebuilding the nation's crumbling infrastructure via deregulation and tax incentives. Such an approach leaves workers vulnerable to the whimsical nature of "trickle-down" employment and the instability of contingent work. It will transfer the value of our public infrastructure assets to corporate interests with no guarantee that the infrastructure will actually be built in the first place.

The other side of the federal government, the minority Democratic Party, has called for a plan for a "Better Deal...(to) creat(e) millions of good-paying, full-time jobs by directly investing in our crumbling infrastructure and prioritizing small business and entrepreneurs, instead of giving tax breaks to special interests." Such ideals are consistent with a federal job guarantee, but the party has not yet gone so far as to make the official call for one. Regardless, an MJG has little chance of passage given the current Republican control of the House, Senate, and Oval Office.

But, in the interim, we can do more than wait and "resist." At the local and state levels we can add precision and teeth to the mantra for a "better deal" with an MJG. America can and should have full-employment cities. They are the gateway to a full-employment nation.

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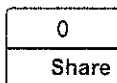
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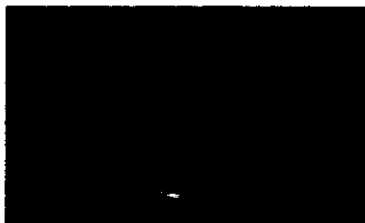
Alan A. Aja, William A. Darity Jr., and Darrick Hamilton wrote this article for YES! Magazine. Alan is an associate professor in the department of Puerto Rican & Latino Studies at Brooklyn College (City University of New York).

William is the Samuel DuBois Cook Professor of Public Policy, African and African American Studies, and Economics, and the director of the Samuel DuBois Cook Center on Social Equity at Duke University.

Darrick is director of the doctoral program in public and urban policy, and jointly appointed as associate professor of economics and urban policy at the Milano School of International Affairs, Management and Urban Policy and the Department of Economics, the New School for Social Research at the New School in New York.



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Who Owns the Future of California's Energy? Its Residents



To Fix America's Health Care, Focus on Food



The More Education, the Wider the Gender Pay Gap—Wait, What?

Carbon Fee and Dividend Factsheet:

- Proponents suggest 2.8 million jobs would be added to the economy as a result.
- National implementation could reduce CO2 output to half the 1990 level within 20 years.
- Eventual goal of 10% of 1990 level would resolve most CO2 climate worries as they exist today; the faster the implementation, the better for the environment.
- Annual costs of fossil fuel-related health damages exceed \$120 billion. Hurricane Harvey alone might have wiped out 1-2% of national GDP (or around \$200 to \$400 billion in damage) had its surge been 1-2 inches higher. Economic waves from Houston hurricanes have repercussions for Pennsylvania's economy.
- The average annual cost of health-related damages due to climate change per household nationally is over \$1,000 and growing.
- A majority of economists believe cost of carbon pollution should be borne by the companies that cause the pollution.
- Proponents suggest national implementation would save 230,000 people from dying due to climate change-related increase in air pollutants.
- A 2013 Congressional Budget Office report suggested \$20 per-ton carbon fee would reduce national emissions 8%.
- National GDP would increase by \$80-\$90 billion relative to baseline estimates for 2025 according to proponents of the plan, with a cumulative GDP increase of \$1.375 trillion over 20 years relative to model performance without a carbon tax.
- There is an expected loss to fossil fuel-related industries – this would be more than offset, on the whole, by gains in other industries, but there is risk that some portion of the population could be left behind. Dividends mitigate the impact of this, but other policies could try to further eliminate harms to fuel-dependent communities.
- The rough cost of the proposal in cost of living wage, if implemented nationally, is about the same as adding a year of inflation in the 20-year time span.
- Proponent models show real per capita income increases \$500 by 2025, \$800 by 2035. Every region in the country would experience an increase in labor's share of wages.
- Conservative scholars have discussed starting with a \$40 tax, increasing by \$10 per ton annually every year. Weaker price signals may be ineffective.
- 233.1 million metric tons of emission in PA at \$40 per ton would yield \$9.324 billion in tax revenue.

Criminal Justice Reform Factsheet:

- A teacher with a bachelor's or master's, with about three years' experience, will receive \$41-\$42k annual salary; the average annual cost of incarcerating a state prisoner in Pennsylvania is about \$42k; for county jails, that cost is \$26k per person. There are three times as many people under correctional supervision in Pennsylvania as there are public school teachers.
- Death penalty trials cost about \$2 million more per case than trials without the possibility of the death penalty; only 3 Pennsylvanians have been executed since 1976, with over 408 people sentenced to death in Pennsylvania during that time span.
- Each of the three executed waived their right to appeal. The additional total cost of the sentence for those 408 people was about \$1 billion.
- 60% of Pennsylvania death penalties come from Philadelphia, Allegheny, York and Berks Counties.
- Columbia, Cumberland and Northumberland counties all had more than 5 death sentences per 100 murders; rates vary wildly across counties.
- Pennsylvania spends about \$2 billion on corrections annually.
- Over 50,000 people in Pennsylvania are in state prisons and over 360,800 people are under some form of supervision in county jail or on probation or parole.
- The state prisoner population (50,000+) is larger than the population of the state capital (48,900) in Harrisburg.
- The total population under correctional supervision in Pennsylvania (360,800) is more than the population of Pittsburgh (303,600) and Harrisburg (48,900) combined.
- Black-to-White incarceration rate of 9:1; Latino-to-White incarceration rate of 3:1.
- In 2010: 3,269 Black people per 100,000 incarcerated; 2,001 Hispanic; 375 White.
- White people make up 79% of state population, 39% of incarcerated population; Black people are 11% of Pennsylvania's population, 46% of its incarcerated population; Latino people are 6% of Pennsylvania's population, 15% of its incarcerated population.
- Pennsylvania incarcerates 770 people per 100,000 Pennsylvanians, in the top 20 of states, about 6 times higher than China's rate (120) and higher than any other state in the Northeast or great lakes regions. 1 in 200 PA adults are under correctional supervision.
- Aggregate economic burden of mass incarceration in the U.S. is about \$1 trillion annually; every \$1 spent on incarceration generates an additional \$10 in social costs.

WRITTEN TESTIMONY OF JAMES DENNIS
NOVEMBER 29, 2017

Good afternoon, my name is James Dennis and I appreciate the opportunity to speak here today. I was born and raised in Philadelphia, in the Abbotsford Projects. In 1991, at the age of 21, I was arrested for a high-profile murder that I did not commit. A year later, after an error-filled trial, I was sentenced to death for that crime. I spent 25.5 years in prison before I was released earlier this year. I'm currently 47 years old and had more than half my life stolen away from me by a flawed system.

I was asked to speak about activities or strategies that could have helped me from interfacing with the criminal justice system. Since I was arrested and convicted of a crime I did not commit, my own behavior was not the reason for my interaction with the criminal justice system but there were things done during my case that need to be fixed to ensure a more fair system. Most importantly, prosecutors need to be held accountable when they withhold evidence or lie during trial. The prosecutor in my case did both and without his corrupt actions, I would not have been convicted. Prosecutors need to be held accountable when they are found to have acted unethically. Yet even after 2 federal courts found violations by the prosecutor in my case, I still had to go back to that same District Attorney's Office and wait for them to decide if they would re-try me for a crime it was clear I didn't commit. The prosecutor is given a second bite of the apple and still has all of the power. In my case, I could have sat in prison for another year or two while they retried me or alternatively, they offered me a plea deal to give me my freedom after 25 years of unjust incarceration. 25 years caused by their own actions. The plea system, after habeas relief is granted, allows the prosecutor's office to save face while never having to deal with their own unethical conduct. The system is set up for the prosecutor to never

lose and I would like to see changes made to the system to level the playing field and to make the prosecutors accountable. Thank you.

November 29, 2017

My name is Giovanni Reid, at the age of 16, I was arrested and charged with criminal conspiracy. Although, I was not the person who committed the crime, ultimately, I was convicted of second degree murder and was mandatorily sentenced to life-without-parole. On September 4, 2017, after 26 years of incarceration I was released from prison because my sentence was ruled to be unconstitutional.

Prior to my arrest, I was just a normal kid from South Philadelphia. At the age of 42, I am now trying to find my place in society after being gone for so long. One of the many things I find challenging is living my life as an adult with the experiences of a 16-year-old. So much has changed, life doesn't feel simple anymore.

Being in prison has affected me in countless way, I find it very difficult to connect with people because I sort of feel like my experiences in life are far beyond the everyday experience, and therefore, I am not certain whether I can relate to other people. I am happy that I have my freedom, but at times, I feel out-of-place. I feel this way because I have spent more time in prison than I have in free society.

When looking back, I often think about the things that would have prevented me from going to prison. I remember having a lot of idle time on my hands where I would just sit around wasting time. The punishments that exist within the criminal justice system are not visible – meaning you don't know what is actually feels like to be locked in a cell until your there. It would have been very significant for me had I had a mentor to help guide me along the way. I would have been more in tune with what I needed to do as opposed to getting myself caught up with the older guys from my neighborhood. Having an opportunity to get a decent education would have gone along way as well. I am sure there are other things that could be factored in, but for me, these are the two things that I believe would have assisted me prior to my arrest.

With that said, I would like to thank everyone for allowing me to come out to share just a little part of my story.