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WEBINAR

ECONOMIC RECOVERY IN AMERICAN CITIES: HOW FEDERAL JOBS PROGRAMS CAN COMBAT UNEMPLOYMENT

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Keynote Remarks:

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U.S. Senate

Panel Discussion:

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P R O C E E D I N G S

MS. ROSS: Hello, and thank you for joining us today. I'm Martha Ross, senior fellow with the Brookings Metropolitan Policy Program. Welcome to today's event, "Economic Recovery in American Cities: How Federal Jobs Programs can Combat Unemployment."

This is part of our "COVID-19 Metro Recovery Watch" series of virtual events and briefs highlighting strategies to build economies that are robust, inclusive, and equitable. I want to thank the Kresge Foundation, the Ralph C. Wilson Foundation, and the Robert W. Johnson Foundation for making the "Metro Recovery Watch" series and events possible.

The previous event featured Mayor Lori Lightfoot of Chicago, and Helene Gayle, president of the Chicago Community Trust, and I urge you to check it out.

On to today. We are seeing COVID-19 wreak havoc upon American life with staggering economic, social, and health impacts. In this event, we are specifically discussing employment and how a federal jobs program could address the massive job loss we have experienced in the past nine months. Layoffs and furloughs have pushed millions of workers and families to the financial brink, and both the public health and the economic impacts have been disproportionately borne by people of color.

And even as unemployment drops, the scope and pace of hiring now is nowhere near enough to compensate for the scope of the job loss. Massive unemployment requires a proportionate response and only the federal government has the capacity to meet this challenge.

To help us think through this we've pulled together an impressive lineup of speakers who are working at the local, state, and federal level. We will hear pre-recorded comments from U.S. Senator Amy Klobuchar, and then move into a discussion with three panelists. Suzanna Fritzberg, executive director of Birmingham Strong, Bruce Saito, director of the California Conservation Corps, and Darrick Hamilton, professor of Economics and Urban Policy at the New School. Following that we'll open the discussion to include questions from the audience. Viewers can submit questions via email to events@Brookings.edu, or via Twitter to @BrookingsMetro using #MetroRecovery.

Next up, without further ado, I'd like to introduce Senator Klobuchar, Democrat from Minnesota. We're very pleased to have her as she's been a long-standing proponent of expanded federal

service, something you'll hear much more about in the following remarks. She'll speak for about 10 minutes so I'll see you on the other side. Thanks for coming.

MS. KLOBUCHAR: Good afternoon. It's a pleasure to join all of you today, virtually of course. You know that I'm doing well, my head's almost as big as the Capitol, that's what I love about virtual screen shots behind you. Thank you to Martha and the Brookings Institution for inviting me to discuss how the federal government can help unemployed Americans get back to work.

You all know we've been living through an incredibly challenging time in this country, battling a global pandemic which has upended the financial security of American workers and their families. But we now have an opportunity to move forward.

Why? Well, the American people have chosen Joe Biden as the 46th President of the United States and my friend, Kamala Harris, as Vice President. We know we're still waiting on the Senate based on what's happening in Georgia, but the election is now behind us for President. No matter who you voted for, it's time now, in Joe Biden's words, to give each other a chance and to unite. Because that's the only way we're going to be able to tackle both the biggest economic crisis since the Great Depression, and its root cause, the coronavirus pandemic.

I got Joe's words when he said the grim era of demonization should be behind us, and he said we should think of this moment as an American moment instead of a partisan moment. And I'm not being a Pollyanna here, I know this is going to be tough but I do think we have the potential right now in the next few months to move forward and certainly when he becomes president.

Unfortunately, as I noted, we're in the middle of this pandemic, but we're also in the middle of a new surge of this devastating virus. Last week we set records with over 160,000 cases and 60,000 hospitalizations in a single day. And in addition to the public health crisis we know that the pandemic has upended the financial security of so many.

At the peak of this crisis the unemployment rate was over 14%, over 30 million people were collecting unemployment, and we had the worst quarterly GDP in recorded U.S. history. One Yelp study showed that 800 businesses closed every day in the six months after the beginning of the pandemic, and according to an estimate from our host today, the Brookings Institution, over 400 small

business have closed for good. That's a lot.

The president can tweet about how things have turned around because the third quarter GDP numbers looked good and the stock market was up, but that's missing the fundamentals on the ground. We're still down 10 million jobs and our economy is 3.5% smaller than it was at the beginning of the year. We've lost 1.3 million state and local government jobs as first responders and teachers have been laid off at the worst possible time. And in October, the number of long term unemployed workers grew by 50%, the biggest spike on record.

So now is the time for action. We're not facing small challenges, and it's not the time for small solutions. Federal Reserve Chair Jerome Powell made it clear that it would be tragic, those are his words, not mine, if Congress failed to pass another economic relief package. Since providing too little support would create, in his words, unnecessary hardship for households and businesses.

So the House passed the Heroes Act back in May, as well as a much reduced version of the legislation in October. That was an attempt of course by Speaker Pelosi to work with the White House. And for months I've been calling on my Senate colleagues to take up and pass much needed relief legislation. Literally, Speaker Pelosi was willing to meet in the middle and meet them halfway. But sadly, our negotiating partners have been unwilling to compromise. Now is the time.

We should be thinking big because families, businesses, and cities all across America are counting on it.

More than 80 years ago the Great Depression threatened our way of life in a way that is somewhat similar to what we're seeing today. What did our country do back then? We didn't back down. And one of the measures this country put into place, which has stood the test of time, is public service. In fact, Congress created citizen service programs like the Civilian Conservation Corps and the Works Progress Administration. You know it's worth watching a documentary that came out in the last few years on Frances Perkins, the Minnesotans put it together, so I happen to watch it. FDR's Labor Secretary, and it's all about what she did, what President Roosevelt did, what they did in the first 100 days when they got into office. And of course, one of the things that became a major focus was the creation of the Civilian Conservation Corps and what they did where they had this disconnect between so many people out of

work but yet projects that needed to be done and people that needed help.

These efforts resulted in millions of people who benefitted from paid employment and opportunities to develop skills, all the while constructing national parks, public lands infrastructure, and producing cultural works that are enjoyed to this day.

In my office, I actually have one of the paintings, a huge mural done by the Corps at that time by an artist at WPA, and it's this amazing thing, and it's called "The Gathering of the Raspberries." And it's from a beautiful, beautiful painting. And after President Obama came in, in the Smithsonian they had all of these murals collected, those WPA murals, and I realized the one I had in my office that's on loan from the Wiseman Art Gallery in Minnesota, was actually as big as any in the Smithsonian, and I almost called the head of the Smithsonian to say "Look what I have in my office." And then I thought, uh, I love it in my office. But when we're out of this pandemic people should come by to see it. It's an amazing thing, and hung in a post office for a long, long time and then was given to the art gallery. So I see it every single day, I see the effect of the Civilian Conservation Corps when I go hiking in Minnesota and around the country, and I certainly see the WPA right there.

So what do we do now? Well we should learn a lot from the Great Depression and how they got out of it. And I think we need a public service expansion. During times of crisis, whether it's a natural disaster or recession, America's non-profits have always stepped in to fill the gaps and help those in need. Unfortunately, many of those organizations are struggling financially at the very moment when our needs are soaring.

The Work Now Act, which I introduced in May, and which has been co-sponsored by 13 of my Senate colleagues, would create a $50 billion grant program to help non-profit organizations retain their employees and scale their service delivery. At the same time, it would provide millions of unemployed Americans with new jobs helping their fellow Americans. You know what people are suffering from right now, mental health problems, loneliness, seniors at home having trouble getting groceries, I mean just needing someone to talk to over the phone. This legislation would provide a major mobilization of resources so Americans who recently lost their jobs can get back to work helping our non-profits.

Another way to meet the needs of the moment is to follow the Great Depression model directly. I figure my bill is sort indirectly following it because we have so many more non-profits than we did back then. But the other way, which I also support, is to expand national public service programs which represent, of course, the best of our country.

I join my friend Senator Coons in introducing an ambitious bill that would expand our national service programs and create major new opportunities for Americans to serve their country.

The pandemic response in opportunity through National Service Act would fund 750,000 national service positions over three years, in part to meet the projected need for as many as 300,000 public health workers who are truly the heroes of our time.

Our bill would also expand partnerships between AmeriCorps and federal health agencies and increase the AmeriCorps living allowance to open the door for all Americans to step up to serve regardless of their financial circumstances. And since seniors are among our most active volunteers but face unique health risks during the pandemic, the bill includes a provision based on my bipartisan bill with Senator Cassidy of Louisiana that Senior Corps Distance Volunteering Act, to provide new digital tools to help senior corps members continue their service from their homes.

One of my predecessors, Vice President Hubert Humphrey, once said this. He said "Life's unfairness is not irrevocable. We can help balance the scales for others, if not always for ourselves." A sentiment repeated closer to today by one Tyler Perry, who said this. "Your beginning should not dictate your destiny."

That's exactly what both public service and our nation's charitable organizations can help to do. Balance the scales. Make sure that your beginning doesn't always dictate your destiny. So in times of uncertainty and hardship, we need to make sure that we're doing everything we can to expand and support our non-profits. We also need to find creative ways to support the creation of new businesses that will put people back to work.

One of the most celebrated findings in recent economic research is the finding that new start-up business account for almost all new jobs in this country. If we lose a generation of start-ups, we're going to lose a generation's worth of new jobs and new ideas. If that's the legacy of this pandemic

we're going to be struggling with unemployment for years to come, a worst-case scenario.

Even before the pandemic, business formation rates had fallen to near four decade lows, what they call a start-up slump. Ever since the 2008 financial crisis new business starts have actually been outpaced by business closures. And now the coronavirus pandemic has only made the problem worse.

Of course, the start-up slump is not the only challenge facing entrepreneurs. You've got the challenge of monopolies and the fact that it's harder and harder to get a new business started, something that I am looking forward to taking on in the next year. Another persistent challenge is the lack of diversity among new business founders. This lack of diversity in venture capital disproportionately impacts women and minority entrepreneurs who face challenges in accessing equity-based financing. And those obstacles have only been made tougher during the pandemic.

We can't afford to miss the next great inventor just because she's a female or minority. And we can't miss out on the next great innovative business just because that idea didn't make its way from the valley.

The new Business Preservation Act that I introduced earlier this year with Senators Coons, Kane, and King, specifically directs investment funding to people and places that historically been overlooked by venture capital firms. It's a win/win that supports our economy and our underserved communities.

Congress must continue to work with small business owners, especially women and those who face barriers, to stimulate innovation and create jobs to move our country forward. We need to harness the efforts of workers, small business founders, government, and non-profits all working together to address the persistent challenge of unemployment, especially as we confront the pandemic.

You know in my office I have a picture hanging on the wall, it's a drawing of a woman who's holding the planet earth in her hand, it's being handed to her by an angel. The words read "In my dream the angel shrugged and said 'If we fail this time it will be a failure of imagination.' And then she placed the world gently in the palm of my hand."

Well we have the world in the palms of our hands right now. And make no mistake, these

are serious times. We know the solutions are out there, the vaccine, the way we get to the other side to what I call the day after tomorrow when this has ended. The workforce training, the ideas to get capital out to underserved areas, the ideas to finally make sure that our non-profits are able to serve the people they need to serve and that we expand our basically today's version of the Conservation Corps with AmeriCorps and similar groups. We can do this. But we need a little imagination in this town of Washington, D.C.

So I ask you to keep advocating for the good. We will rise to the occasion. Thank you.

MS. ROSS: Hello. Thank you. I'd like to ask the panelists to join me on the screen. And let me remind you as you do, to turn on your cameras and microphone. We just heard some good remarks from the Senator urging us to think big, to use imagination, drawing upon the legacy of the Great Depression and the Works Progress Administration and the Civilian Conservation Corps. And needing to "Meet the needs of the moment."

So what we're going to do now in this discussion is to hear about different models for providing publicly funded jobs and the kinds of important and socially useful services that they can provide. And consider as well the merits of a federal jobs guarantee. We'll talk about how existing state and local efforts could be replicated at a national level as well as the nuts and bolts questions of program design, administration, and funding.

And as a reminder, you can submit questions via email to events@Brookinigs.edu or via Twitter, going to @BrookingsMetro and using the #MetroRecovery.

So the first round of questions I'd like to cover the basics. And let's start with Suzanna Fritzberg. You are the executive director of Birmingham Strong in Birmingham, Alabama, and in that role you have led the creation of the Birmingham Service Corps, an innovative public-private effort to hire unemployed residents to meet pressing community needs related to the COVID-19 crisis. Can you tell us a bit more about that, about how the program is designed and how many people you've hired, what kind of work they do, and how you measure success?

MS. FRITZBERG: Thank you, Martha. I'm really excited to be here today and share our story, and proud and privileged to be sharing time on the panel with Darrick and Bruce. So thank you for

all the work to put this together.

I'm really thrilled to hear the center's enthusiasm for work that is so close to my heart and very closely aligned to what we've been doing in Birmingham.

Birmingham Strong, or Bham Strong for short, is a public-private partnership that was launched in March of this year, so we're in start-up mode, by the City of Birmingham and some local generous corporate partners. And our mission is to strengthen Birmingham's COVID-19 response and build a kind of resilience for the future of the city and its residents.

So we were really formed in response to the three needs, that Birmingham residents needed support to meet their own vital needs, that Birmingham's workers needed to be empowered to participate in a resilient, inclusive economy that overcomes COVID and that is set up to thrive in the future, and that Birmingham institutions needed an agile partner that was wholly focused on COVID release and recovery.

So we work really hand in glove with the City of Birmingham as our major funder, as well as in partnership with local non-profit organizations. And the vast majority of our activities are designed to be reimbursable through the Federal Cares Act.

Our flagship program and the one that I'll talk the most about in our conversation today is the Birmingham Service Corps, which we launched in May of 2020, so very shortly after we started, as a way to leverage one of the challenges that Birmingham was facing, this crisis level and rising unemployment. Again it's another one of the challenges which was a series of new, evolving, and unmet community needs from greater demand on our food systems to medical staffing shortfalls, to an ability to access to PPP.

And really, building on the model, as you mentioned, of the Great Depression era and WPA and other work relief programs, the service corps functions to connect residents who are unemployed or underemployed to paid opportunities that are meeting community needs, primarily in the areas of public health, basic needs, and economic stabilization.

We've staffed corps members to projects from setting up community testing sites to assisting small businesses with PPP loan applications, assisting students with remote learning. And also

actually one of our major programs is placing corps members embedded with local non-profits who themselves direct service providers to residents.

So in some cases as an organization we manage projects directly, in other cases we kind of play that matching, and almost offer it like a non-profit staffing agency, placing corps members in projects that's managed by one of our partners. But our real sightline is always around COVID impact and serving Birmingham residents.

We employ members of the Birmingham community, so people who reside here in the City of Birmingham, age 18 or older. On average, we're serving residents or we're employing residents who are about 32, so a little bit on the older side. And for membership in the corps we select folks based on their skillset for the projects that we're looking to staff and then really prioritize our values of equity and diversity.

So we pay a living wage, between $18 and $24 an hour, depending on the nature of the work. And I'll note that, you know, many of the workers that are coming through our programs previously had been employed in minimum wage jobs, which in Alabama is the federal minimum wage of $7.25.

And just in closing, you ask how we measure success. And I think there are three core dimensions that we've been looking at. One is the direct and kind of immediate impact that we're having on corps members themselves. So the number of placements, to date we've made about 350 placements. We know about 90% of the individuals that are service corps members are using their income to meet basic needs from rent to utility payments or keeping current on debt.

And we're also really focused on the communities that our membership represents. So we're proud that our membership is about 70% individuals of color, just over 65% Black, and also majority are women.

The second category would be the trajectory for our corps members. So we're trying to track the number that are retained by host organizations after the placement that we make there or had the opportunity to transition into a longer term more private sector based role.

And then finally of course we're focused on the impact in the communities. So to date corps members have performed about 8,000 hours of work across Birmingham. We have touched every

neighborhood across the city, there are 99 total. We've embedded Corps members in over 50 non-profits supporting direct service to Birmingham residents, and really supporting organizations that have an existing client base and existing service delivery mechanisms.

And then we've also made impact for small businesses. So I'll close with just an example of one of the things I'm most proud of, which is that in partnership with Hope Credit Union and the City of Birmingham, our corps members supported applications from 175 diverse and women-led small business to the PPP Program, which ended up supporting about 800 jobs locally.

So we're really trying to magnify our impact in terms of who we're employing, the work that they're providing and making sure that our values of diversity and equity are central in that.

MS. ROSS: Thank you so much, Suzanna. Bruce Saito, next let's turn to you. You are the Executive Director of the California Conservation Corps, a state program housed within the California Natural Resources Agency. The corps is modeled on the Civilian Conservation Corps from the 1930s, and you combine environmental conservation activities with education, mentoring, and employment for young people.

And you have an awesome tag line "Hard work, low pay, miserable conditions, and more." Can you tell us a bit more about the Conservation Corps? How it's administered and the kinds of work that you do?

MR. SAITO: Thank you, Martha. And thank you for having me with this panel, an esteemed group of individuals.

So the California Conservation Corps was created, developed by first-time Governor Jerry Brown in 1976. Yes, it was modeled after the Civilian Conservation Corps, in true passion of Governor Brown, a slightly different twist. He wanted to make sure that California Conservation Corps not only again was modeled after the steep Civilian Conservation Corps but also had some influences of an Israeli roots, Jesuit Seminary and a Marine Corps boot camp.

And I say that because I think those kinds of ideas or values still apply today. And that's I think also interpreted or reflected in our tag line. It's not hard work, it's really just a challenge to do a good day of work for a good day of wage. It's not low pay. Minimum wage now in California will be $12

an hour in January and going up. And some of our counties, Los Angeles and San Francisco, it's already up to $15 or more.

And the miserable conditions, working out at Lake Tahoe in the forest on a beautiful summer day is not miserable conditions, although sometimes some folks might think of that. The CCC now today is about 1,500 Corps members that work statewide at 25 different centers, 25 centers all the way down to National City, San Diego, all the way up to Yreka and Redding. Most of those 25 centers, nine of them are residential centers. Some people stay, live, work together at a residential center, typically about 80 to 90 young folks in rural and both urban areas.

In addition, though, since these last 44 years there's also been the development of what we call local conservation corps. So they're non-profits or programs under their local county and community economic development departments. Those 14 local conservation corps, again mostly non-profits, do similar work. And that work and the mission of the CCC is to provide job training and work experience and service opportunities for young adults 18 to 25 years old as they intern to provide community and environmental service, again, throughout the state.

In addition, nationally there's something called the Corps Network that has a membership of over 135 conservation and service corps. So although I'm representing the State of California, there are local conservation corps as well as conservation corps spread out throughout the United States.

Again, similar mission, some are slightly different and work slightly different. But I think where this fits into this discussion, and hearing the words of Senator Klobuchar, that's the work of the corps, and that's why I think part of this discussion we're having today is that it's not only providing this job training and work opportunities and service opportunities for young folk, but also at the same type providing a service, enhancing trails, planting trees, developing parks.

Already in California it's really sad but something I'm really proud of as well. In California, since July 1st, the CCC has logged over one million hours of emergency response to supporting fires, direct fire attack, supporting food banks because of COVID, distributing emergency supplies and the like. Over a million hours of service.

And like the Civilian Conservation Corps back, you know, 50 years ago or back in the

1930s, that wasn't just an opportunity for a young man to make $30 a month and send it back, $25 bucks, send it back home. But it also, like today, for corps all throughout the United States, it really was an opportunity to serve, to instill that sense of pride and sense of purpose, and sense of doing good. And not only for your country or your state, and not only for your community, but also for your family and you as an individual.

So I think that's what the Corps is about today, and that's why we're so interested. Not just the CCC, but all corps throughout the United States and how we can move forward on some of this legislation, the bills that Senator Klobuchar talked about and other things that are percolating out there as we move into a new administration.

MS. ROSS: Thank you. Darrick Hamilton, now let's hear from you. You are a professor of Economics and Urban Policy at the New School, and founding director of the Institute for the Study of Race Stratification, and Political Economy.

In the past several years you have argued for a federal jobs guarantee in order to eliminate persistent, involuntary unemployment. In this scenario, every American over the age of 18 who wants a job, could get one, funded by the federal government and coordinated closely with state and local governments. And the jobs would address a wide variety of community needs.

This is a big, bold policy proposal with big implications for the economy. Tell us more about the rationale for this program and some details about how it would work.

MR. HAMILTON: Well first, thank you, and let me say it is big and bold. The problems we face are big and bold and persistent, and I think need that type of policy to really redress them. And frankly, have the lofty goal of eliminating involuntary unemployment and the oxymoronic notion of working poverty all together.

But I wanted to quickly acknowledge Helen Lans Ginsberg, Lax Ginsberg, who recently passed away. She was a founding member of the National Committee for Full Employment, which was led by Coretta Scott King. I had the pleasure of serving on the Board of the National Job for All Coalition with Helen. She was a tremendous force in this movement for decades. She represents what moral scholarship means. She was a professor at Brooklyn College, a graduate of the New School, and happy

to take the time to just acknowledge her contribution.

Indeed, this policy that we're talking about, however big and bold it might be, the concepts of economic rights aren't new, nor are they radical. FDR proposed in his State of the Union in 1944 an Economic Bill of Rights. And the Second Article was the right to employment.

What it would be is it would literally, as you pointed out, everyone having not just a job, but a good job, a job with dignified wages, benefits, and healthcare, safe working conditions.

You know when I say federal job guarantee, each of those words are important. It's important that the federal government ultimately is able to implement it because they have the financial capacities to literally have a guarantee. And it's also important that the jobs are public. That they're public jobs. This does not eliminate procurement, nor does it eliminate partnerships with non-profits, but the federal job guarantee would shield us against partisan concerns that might arise from trying to implement the guarantee through non-profits in ways in which different administrations might coop missions of non-profits and/or the ways in which we decide which non-profits would actually receive funding or not.

I love Zoom, let me acknowledge a little one that walked in.

But, you know, the federal job guarantee, it would be a direct source of employment and it would trigger a multiplied stimulus effect across the economy. So when we think about stimulus and a way of doing it with a federal job guarantee could be a good way that ensures that there's shared prosperity across all workers.

What else? It would empower workers that are already working by offering them greater bargaining power by removing that threat of being destitute from unemployment because they would have a viable public option. It would structurally change the U.S. economy.

So some people argue, you know one of the critiques of the programs is would it do away with low wage work. Well, that's a feature, not a flaw. It would, if employers would want to compete for the American workforce they would have to offer at least a base level of wages, working conditions, and benefits. And that to me is not a bad thing, that is a good thing and an attribute of the program.

It would be countercyclical. So in times when we have despair, like this pandemic and

this aftermath, it would kick in to a greater extent to ensure that everyone has a job that they desire. It would address our 21st century human and physical infrastructure needs. It would, you know, provide public works in a way to shield us against natural disasters. It would provide public works similar to how Bruce was describing, ensuring that every unit of America would have conservation attributes and be better protected when we have our climate change from our unnatural implementations of various infrastructure more broadly.

You know, the type of work would include education, health services, supported housing, libraries. We could fund art, public art, child care. We could literally have a care economy where we fund child care, elder care, adult care. We could have a green economy. We could make our cities and rural areas emission free with municipality. In other words, we could think about our future and use our greatest resource, which is our people, and employing our people, to deliver on that desire that we want.

Disability centered advocacy could be facilitated with this so it would be inclusive of all people, including those that might have a disability. Both by providing them pathways to work but also providing infrastructure that creates better livable situations.

What else? The most urgent needs could be addressed in a forthright way so we could develop a job bank of tasks at local levels. You know, people in local communities might know better what they need. Well we could develop that job bank and not only would it be countercyclical, it would be regional stabilizing as well. So those areas that might be hardest hit by economic transformation, well they would have the most urgent need, and that's where the program would kick in the most.

I feel like I'm talking wild. Let me just say one last thing about it and then I'll stop. Well, I lied, two things. One, it would reduce the strain on local and state budgets by having a better tax base of workers. But it would also address the morale hazard problem we're faced with when we have a typical recession and we have the concept of too big to fail. Having to bail out Wall Street that might have engaged in some malfeasants that could have got us here, well we won't be at that threat of a collapse because Main Street would be taking care of with a federal job guarantee.

MS. ROSS: Thank you. I appreciate that. And all of you have given us a good sense of the nature of your programs and your policy ideas.

Next I want to ask about racial equity. In good times and bad people of color generally have higher unemployment and lower wages than the national average. And this can't be explained away by education repayment or occupational choice. So there is a legacy of racism in our country economy that we have to address.

How could the various programs or ideas that you have talked about help us do that? We'll start with Suzanna and then turn to Bruce and then to Darrick.

MS. FRITZBERG: Thanks, Martha. As everyone on this call, and certainly on this panel, is aware, COVID is a public health crisis that has led to an economic crisis due to a failure of response. And both of those crises run along existing lines of inequality and procurity, and we see this so, so apparently in cities like Birmingham. Birmingham is the fourth largest majority Black city in the country. And our residents are especially vulnerable to both the public health and the economic impact of COVID-19. So before the crisis, you know, half of Birmingham families with children already lived in poverty. Now we're seeing record number of workers that have been laid off and thousands of jobs in our metro area that frankly we don't anticipate coming back.

And we know that that unemployment is heavily concentrated among lower wage workers, and Birmingham has a particularly large non-tradeable economy and a lot of service, restaurant sector workers. And most of the folks that are facing unemployment have less than $1,000 in savings.

So, you know, again, everyone on this call I think is probably tracking the expiration date of Cares benefits and the eviction moratoria and other elements of the federal response quite closely. But we're hearing from the people that we serve, certainly a concern rising instability as we see some of those things expire. And then also the recognition that many of them are quite inadequate in the first place.

As we think about our services and we were rooted in place, as I mentioned, we're targeted towards our most vulnerable workers. So we employ about 70% workers of color. And frankly, that also just reflects the procurity of those workers to the economic downturn. The greater number of workers of color who lack access to unemployment, because we do see a greater proportion of folks that are served through our programs that for one reason or another are unable to avail themselves of state or

federal unemployment benefits.

And we also have a high number of folks we work with who really get chronic unemployment rather than situational unemployment. So there are neighborhoods in Birmingham where unemployment, particularly for Black Americans, particularly for Black men, has been a crisis for decades.

And then a few other things I will note particular to Alabama. One is that as a state we have an expanded Medicaid. So by and large the folks we serve do not have access to publicly supported healthcare. In terms of our own operations we've been working towards the ability to provide a health stipend to workers, but we know that for many of them access to healthcare is tenuous.

And then I'll mention two that, you know, the municipal authority in Birmingham and in other cities in Alabama, as is true in a number of other states, is pretty tightly constrained by the state constitution. And there's a whole other conversation to be had there around the roots of that constitution, kind of the bureaucratic manifestation of racism in the powers that we see at the city level. But what it's meant for our operations is really that not only are we bound by the interpretation of CARES funding at the Treasury Department, which some people know there have been 34 different rule changes on the PPP program alone that have come out of Treasury. But also, that we're bound by particular, you know, set of interpretations happening at the state level.

And in Alabama we've learned recently that the state has about a billion dollars of CARES funding yet to spend, and that has not been allocated. And again, we're pushing end of the year when that money really will expire or potentially will roll back up into some state budget numbers.

So we at Bham Strong is do our best to target our resources in a way, driven by administrational racial inequity, to ensure we pay a living wage, to ensure that our partnerships when we're placing corps members in an organization prioritize minority survey and minority leader organizations. But I think these are the real and persistent challenges.

And the place where we're in, geographically and then also our scale, we really, we're not in a position I think to be market shaping, which is what is so exciting about some of the programming that Darrick is talking about, and I'm curious around how the scale of Bruce's programming maybe start to approach some of these questions.

But we don't see ourselves having, at the scale we're at and that kind of market shaping impact, which it is where it feels like we could start to see some bigger shifts.

MS. ROSS: Bruce, you're up.

MR. SAITO: Over 60% of young adults of color, and so again, I talk about this on the job training, but that on the job training are working with sponsors, typically state or county or local. And those sponsors are city parks, county recreation parks, county public works, state parks, state Caltrans, Transportation Department. All kinds of different public entities where those young folks are getting hands on experience working side by side on those projects sponsored by those public entities. And those public entities, those supervisors get to see those young folks work. And in addition, then those young folks find about what it takes to do this job or what it takes, what does it take to get my qualifications up to that or those experiences up to that entry level position. And then on our side we're working to provide where we can preferential hiring if you work so many hours with the National Land Management Agency or we work with our state to make those qualifications fit the entry level positions that our young folks are interested in working towards.

And then we work closely with those young folks to make sure they have those not only job skills and experience, they have some of those other skills, life skills, that will make them more successful in obtaining these jobs. And all those things I think work towards a supportive government. In this case, not only our resources agency in California but this governor, Governor Newsom, has said he wants this to be a state, a California for all. And that means that agencies or organizations, departments like the CCC, we should reflect and look like California. So when I say we're more than 60% young adults of color, those folks that are participating in the CCC, then become, I believe, those future employees, they have those future careers with those state agencies and local agencies and organizations that typically have been challenged to look like California. And that comes in all phases of whether it be social services or, again, resource land management agencies, we feel we are on that track and creating those pathways to diversify and bring more opportunities for young folks that they so much deserve.

MS. ROSS: Thank you. Darrick.

MR. HAMILTON: Right. So labor market discrimination unjustly and immorally keeps a lot of people out of the labor market. A federal job guarantee would be a direct way to address that by literally guaranteeing employment for everyone. It would avoid some of this, you know, the universal nature of it would avoid some of the stigmatizing impacts of government programs, you know, by not targeting, but making it universal then it becomes a right and we lose some of that stigmatizing effect that often goes into programs that are reserved for certain populations I'd say. So that would be another useful benefit.

And then I think we need to, I keep talking about economic rights, but even that is not enough. That we have to say anti-racist, anti-sexist, economic rights. Because we can look back to history from a lot of the New Deal policies and programs to realize that by design and implementation they had racist elements.

The Wagner Act, which is responsible, perhaps the greatest piece of legislation to offer bargaining power for workers in general, excluded domestic and agricultural workers even to today. And that is by design, racist. Especially in the 1930s when over 90% of Black women were domestic or agricultural worker employed, and over half of Black men.

So the concept of economic rights, in summary, literally provide everyone with a job that's good to combat labor market discrimination. And then too, reduces some of the stigmatizing effects because it's a guarantee and a right. And then finally, we should make sure we do it in an anti-racist way.

MS. ROSS: Thank you. I want to move on to some audience questions now. We have some really good ones. The first one I want to pose to the group is, well I'm going to combine two of them.

One question asks about the role of counties, what is the role of local governments, how can they support this? And the second question is, how can these kinds of programs create a pathway for long-term employment, moving up to higher wages ideally, and should that be coupled with investment in related industries?

So, Suzanna, I'll start with you first on the question about counties, and then you can chime in as well on the long-term employment.

MS. FRITZBERG: Great. A few things that come to mind on the county question. You know, counties are such important and sizeable human services providers, and also serve as a clearing house for a lot of the federal human services funding. So I think there's a lot of opportunity there to think about investments in human services, not only as themselves investment in workforce development, one thing we haven't touched on but that's so important is wrap around funding, other kinds of services that help combat barriers to employment.

But I think also especially as we see ramping up, you know, contract tracing for example, or other priorities that are rooted in the health authority that's often held at the county level. There's a real opportunity some places I know, Baltimore, Maryland, for example, is really using this as a dual approach to maximize workforce opportunity in addition to prioritizing a trained and sizeable public health workforce on the contract raising side.

So I think there's a lot of opportunity in those provision of health services and the approach of human services generally that's rooted in the county to think about doing that more with an eye toward workforce development. That's true also in community health work. We have some programs here where our corps members have been aligned alongside existing community health work streams in the community.

And, you know, community health work is incredibly impactful in improving health outcomes, particularly in low income communities and in communities of color. And I think one of the things we're seeing in the COVID crisis as those communities are most hard hit, is the importance of investing in that kind of relational public health infrastructure to make us more resilient going forward.

Just to briefly touch on the second part of the question before I make room for the other folks on the panel who will I'm sure have more brilliant things to say.

We really are in the first instances of pandemic response organization, but as our work has taken root, I think as it's become clear that this is going to be a longer and deeper crisis than any of us had necessarily originally thought, we're seeing the need to build long-term infrastructure, and for us that looks like making a bit of a pivot from a focus on work relief to a focus on work opportunity and thinking critically about our placements as opportunities for folks to build skills where that's appropriate.

To be very candid I think sometimes skill building gets a bit too much attention in the workforce development, and, Bruce, you and I have talked about this. Within the workforce development, and there are times when labor market information and connection is maybe the more valuable portion, certainly of the Bham Strong provides. But I think as we look towards the future, we look toward the, you know, opportunities for more sustainable funding streams, thinking about pulling in WOEA, I think there is a real mandate here for us to focus on opportunities that are building skills in independent industries. And that's where, again, being rooted at the local level is so critical for us, that we can really pair, you know, our work alongside where we perceive opportunity to be now and over the next several years.

MR. SAITO: Yeah. For me, Martha, it would be developing that, like I was talking just a few minutes ago, developing that kind of workout that leads to those programs that encourage pathways.

And it sounds so simple, but for us, for the CCC, I constantly remind myself that things I assume that young folks should know, I shouldn't assume those things. And so one of the great things we do, it's so simple, it's just that basic work ethic. Show up to work on Monday, show up to work 40 hours a week, work well with others, follow directions, be able to take supervision, and work with others. Work with others but from all different backgrounds and all different and all different walks of life.

And then, I think, again, where we can strengthen those entry-level positions and make sure we're matching the things that our folks are learning or experiencing with those entry level requirements or positions where we can create incentives or priority hiring systems. And then also continue to look at the whole person. Regardless of where they came from or where they started or how they were raised or brought up, we can't assume that everybody has the opportunities like I had as a young person. But we have to constantly deal and address mental health first aid issues. We constantly address substance abuse issues. We have to constantly address and look at, we know we have young folks, 18 years old that are raising a child or more than a child. To try and make it on their own and still trying to get that career going.

And so I think there are so many, to your first question, I think it also means leveraging and including and being kind of as comprehensive of a kind of development plan that works with the county, that works with the city, that works with the state, that works with federal government. To bring in

all those different resources, leverage them to the best of our abilities and create those pathways that are not only genuine and real, but they're very doable.

MS. ROSS: Thank you. Darrick, I would like to, if I may, direct another question your way. This comes from Twitter. How would you respond to questions about how a federal job guarantee would effect public sector unions?

MR. HAMILTON: How would it effect public sector unions? Well, it could strengthen, well it's aligned with the mission of unions, which is empowering workers. So it empowers workers whether they're employed or not.

One could have provisions and, you know, it relates to the last question also in terms of industrial policy. We could design jobs in areas by which one, we need greater work and there is union professions that are protecting certain workers. There's nothing that precludes the program from evening having, being able to organize and be part of the public union. So a federal job guarantee worker should have the right to unionize and become part of the union.

So I don't see it as necessarily competing with unions, but actually strengthening the missions that unions have.

MS. ROSS: Okay. So we now have about three minutes left. So I've saved the easiest question for last, which is, say that we did have a federal jobs guarantee. How would you think about implementing it, in terms of perhaps starting with pilots at the state and local level, or a staggered start?

We'll start with Darrick and then we'll move on.

MR. HAMILTON: I mean you'd implement it over time. You'd have a lag, you would, you know, one point about the previous question, what can counties do. Well counties don't have to wait on the federal government. The work of Suzanna, as well as Bruce, are demonstrated that we don't have to wait, we could start.

But with the implementation of the federal government level you would plan it in a way that gives us enough time to get the full implementation. But I don't think we need demonstrations. The greatest demonstration was the New Deal, the fact that we were able to come up with big public jobs and we did it in a way that was comprehensive, we just didn't fulfill what FDR called for in 1944, with the full

implementation of it. So I don't see that as a big counterpart.

But I don't think I'm going to get another chance, so I'm going to say just a quick thing. And a couple things related to the previous question is that the program is aimed at not managing poverty, but promoting social mobility. That's a key point. It provides pathways. Right now, what do we do with poor people? We socially isolate them, we manage them, we manage their subsistence rather than trying to generate social mobility. The concept of benefits vets would not be relevant with a federal job guarantee as much because we would begin at an adequate wage where the people wouldn't be in poverty to begin with.

So, you know, I think those things are important. In terms of industrial policy, because I think that's a critical question as well. So the industrial policy aspect of a federal job guarantee is currently we choose which industries the federal government invest in. There are concerns around automation that are plaguing our economy right now. The best defense against automation would literally be a federal job guarantee towards productive work. If we have an industrial policy aimed at putting workers first, not only would it be a direct source of stimulus, it's more balanced than expecting a corporate dynamism to trickle down to all of us with the risk that funding corporations to hire workers will only lead to substitution of vets.

It would also benefit corporations. If corporations didn't have to worry about a worker coming to work worried about child care, elder care, or their health insurance, then that would be a benefit to them.

And then, you know, the last point is that job training is critical and is important. But what's cruel is job training without a job waiting for somebody. So I think we should commit to, if we're going to have public subsidy to job training, we should ensure that there's an actual job waiting for somebody who receives that job training.

MS. ROSS: Thank you. Well I'm feeling a bit thwarted because I have a lot of other questions that I wanted to ask. We are at time, but I have been given permission by the almighty Events Manager, to go a little bit over, and to allow -- thank you, Karen -- to allow each of you to have a closing statement if you would like. And let me give you some parameters around that.

For Suzanna and Bruce, it would be, if you had a mandate to grow, how would you go about doing it so that you could grow responsibly?

And then for Darrick I will ask you about if you have any thoughts about how a federal jobs guarantee could include young adults, the so-called opportunity youths or disconnected youths. But, Suzanna, you first you. How would you grow?

MS. FRITZBERG: So we, as I mentioned, were really founded as pandemic response organization. And I think the point that Darrick made in, you know, the final portion of his remarks just a minute ago is such a well-taken one. And one that, everyone who touches part of the workforce fulfillment system should really be thinking about, which is the connection between the training opportunity and jobs.

And recognizing that a deficit based approach, thinking about skills gaps, and while it can be a really important part of the literature and the practice, should not maybe be the dominate language that we use in thinking about how to drive talent and how to drive employment.

So as we think about scaling here in Birmingham, a great portion of that conversation, frankly, is about funding sustainability. So moving beyond a reliance on the CARES Act, which has been our primary funding source, and thinking through opportunities to, you know, pull in either federal workforce funding or national service funding and continue to kind of grow our track record here in a way that allows us to attract additional private philanthropic support, which has been a large part of supporting our work to date.

I think the other thing I'll mention, and maybe here I'm hopping back a bit to that implementation question, is recognizing that the answer to poverty is not exclusively jobs. And so having, you know, I think some parameters around what jobs can and can't provide is really important, and an emphasis on those wrap-around services. And especially child care if we're thinking this from a gender equity lens, is really critical. And in, you know, I think the opportunity to build community across a service corps. We're talked a lot about the economic impact of these programs, and certainly that's something that we see and that's the way that we size the impact that we have here in Birmingham. But we also know that the folks, you know, working in our service corps are people that a heart to serve. And

especially in a time of such isolation, it's been very meaningful for many of them in the ways they've expressed to us to have the opportunity to come alongside and be part of kind of the solution for change in Birmingham, and certainly a solution to meet immediate needs.

So that's three or four different answers to one or two different questions. But just touching on everything else that's on my mind. And I do think that that final point, you know, the answer to poverty is not exclusively jobs is a really important one. And there's a lot that these programs can accomplish, and we're very proud of that.

But keeping in mind that there is a really full and robust social service tool kit that can be integrated into some of this work and that also needs to, you know, stand separately and continue to be supported.

MS. ROSS: Thank you, Suzanna. Bruce.

MR. SAITO: Well this is something that I spend, and my colleagues spend, a lot of time thinking about, and have been thinking about for many, many years. I would say in some ways we're prepared, and we're prepared because a model, a positive working model already exists. Now it's a little bit different from corps to corps or from program to program, but I think it would be critical to, again, take into account all those different resources at a federal, state, county, and local level. Make sure you leverage those resources, look at new funding.

You know, it's not a coincidence that both Republicans and Democrats are touting a one trillion tree planting initiative. So gotta look at those kinds of programs.

It's encouraging that this member legislator and this President passed the Great American Outdoors Act to look at funding like that. Look at how you can expand on something like that. We already know where those underserved, under represented communities are, so we need to really hone in and focus on those so that we're addressing the needs in communities, not just urban communities, but rural communities as well.

And then, again, include not just public input, but also philanthropic, corporate, and everybody else that stands to gain from young folks, in my case, young folks, again, from the most underserved and unrepresented communities, going to work. Being productive family members, giving to

their communities and doing something good for this country.

MS. ROSS: Thank you. I'm going to take moderator's prerogative and add my own two cents to that question of how to grow responsibly.

And one thing I would worry about is the temptation to, in order to save money, to go cheap on the staffing and administration so that you can direct, most of the money is going to go to wages in any case. But if you try to put the administration of a program like this on a starvation diet, you're going to have a lower quality program. Because you need the staff people who can set up the program, match the people to the jobs, prepare them, and work with state and local governments, non-profits, etcetera.

So now, Darrick, the question that I just gave you out of the blue, I'm not sure if it's something that you've thought about much. But there has been a great deal of public attention of late about young people generally, you know, roughly aged 18 to 24ish, and especially those who aren't on track for a college degree, and then just a smooth transition into a career.

So how could a federal jobs guarantee work for them?

MR. HAMILTON: I want to begin in the tradition of Al Gore with an inconvenient truth. And that is the private sector is inadequate in its ability to supply enough quality jobs to all workers or to fulfill our public infrastructure needs. That's a reality.

And that said, over the recent course of a great recession and a pandemic right now, the economic scaring that particularly impacts young people, we need to acknowledge that. In the last great recession, we told them, wait out this job, wait out this recession, go to school, better yourself, get some skills. They acquired record levels of debt that is untenable. So we saddled them with that, and then now that generation is faced with a double whammy as a result of this pandemic. No fault of their own.

As Suzanna described, there is no silver bullet policy to address all of our concerns and economic needs. In fact, I would desire that young people have a pathway towards a debt-free public education, not only through grade school, but all the way through college in the 21st century.

Not doing that, in my mind, is the government not fulfilling its fiduciary responsibility. So that's all true.

But that said, so not only with the privilege of going to school, authentic agency requires that we facilitate people to really fulfill their choice and engage in their work. And this is why a federal job guarantee becomes useful. It becomes useful, and not only in a targeted way. Targeted programs can be good, but in a destigmatizing way that offers young people a pathway towards a great education, but then also a pathway towards work in a productive job with decent wages.

MS. ROSS: Thank you. Thank you so much, that was a great note to end on.

Let me thank, again, all our panelists, Suzanna, Bruce, and Darrick, and to the Senator Klobuchar for taking time to give us some remarks. And thank all of you for joining us.

And have a good rest of your day.

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