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PUTTING AMERICA BACK TO WORK: 18 of the country's top economists and lawmakers share their best ideas for the 40 million newly unemployed Americans

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Over 40 million people have filed for unemployment in the past 10 weeks. That's more than the population of Canada.

The massive job losses have left a question hovering over United States: What, if anything, should be done with all these people?

To find out, Business Insider has gathered perspectives from social scientists and lawmakers across the policy landscape, including progressive Washington Rep. Pramila Jayapal, University of California sociologist Jerome Karabel, former Trump adviser Stephen Moore, and Texas Sen. Ted Cruz.

Texas Sen. Ted Cruz says that suspending the payroll tax through the end of the year and ramping up testing will help get employees back to work.

Sen. Cruz emphasized four steps needed to safely get Americans back to work: increasing PPE and antibody tests, scaling up testing, lifting regulations, and eliminating the payroll tax for the rest of the year.

"I've introduced the Right to Test Act, legislation that empowers states with the authority to rapidly approve and distribute diagnostic tests during a public health emergency," Cruz writes in a response provided to Business Insider.

On the payroll tax, he added that not only would the suspension "alleviate the employers' burden of paying back deferred taxes over the next two years" but that it would "also give employees a de facto wage hike, putting more money into Americans' pockets."

He echoed the view that federally supplemented unemployment benefits, especially when workers are receiving an amount equal to or higher than their salary, will discourage them from wanting to go back to work at all.

"In the Senate, I'm urging my colleagues to turn their focus toward the long-term recovery of our nation, instead of spending more and more taxpayer dollars for short-term relief," the senator said. "We simply cannot spend our way of this crisis."

Rep. Pramila Jayapal says "the Hunger Games-style" system of the Paycheck Protection Program shut out many small businesses, particularly those minority-owned. She wants the government to directly provide grants to businesses and cover workers' wages to stem job losses.

The Washington congresswoman argues that her recently introduced Paycheck Recovery Act represents "the best path forward" for the economy.

The plan would keep workers on paychecks through direct grants provided to businesses and cover wages of employees earning up to \$90,000, as well as fixed expenses like rent.

It would also allow employers to rehire workers that were laid off or furloughed since March 1, and cover the cost of enrolling them back onto their health insurance.

The proposal, she says, "scraps the PPP's Hunger Games-style system of allowing banks to pick winners and losers — a system that has left far too many small and minority-owned businesses behind."

Jayapal estimates the plan would cover over 36 million workers and end up costing less than the \$670 billion PPP program, which has been replenished once already.

"It is also a policy solution that is already highly effective in other parts of the world," she says, and points to support from labor groups, business owners and economists for the proposal.

"The Paycheck Recovery Act meets this crisis head on and delivers certainty by keeping workers in their jobs while ending mass unemployment, preserving their health care and ensuring businesses don't close permanently."

Sen. Michael Bennet says small businesses slammed by the pandemic should be given loans that would be partially forgiven and the rest could be paid back over the course of seven years.

The Colorado senator wants to enact a plan to tie beefed-up unemployment benefits to the state of the economic recovery, instead of allowing it to expire on July 31. Payments would be gradually scaled back as the economy grows stronger.

He argues it would help families avoid "severe deprivation."

Bennet also says the US needs to develop "the capacity to swiftly identify and contain new outbreaks." He's pushing for Congress to pass a bill he sponsored with Sen. Kirstin Gillibrand to better equip state and local public health agencies to hire people to "surge" the public health response.

The former 2020 Democratic presidential candidate warned many small companies are already in dire financial straits, saying they're "weeks away from running out of cash and closing their doors forever." To keep them afloat, Bennet unveiled a proposal to provide them with loans that could be paid back over several years.

"We'd forgive a portion of the loan based on revenues lost this year, and give them seven years to repay the remaining loans so they have the flexibility they need to survive," he said.

Stephanie Kelton, economist and professor at Stony Brook University, says we should restore as many private-sector jobs as possible and "get cash into the hands of those in need."

Kelton explains that while reopening the economy will restore jobs, especially for service workers such as bartenders and beauticians, simply reopening is no longer enough to return the US job market to its pre-COVID-19 strength.

"Economists warn that that entire industries will permanently shrink and millions of jobs will be lost for good," she writes to us. "How many workers will remain jobless for months or even years to come? No one knows. Ultimately, the virus itself will have an outsized say."

To first put people back to work in the private sector "we must do what the health experts have advised: test, trace, and isolate," she adds. "Only by arresting the spread of the virus will people feel safe fully reengaging with the economy."

Even though some pockets of the country are already filling up beaches and bars once again, Kelton warns that the "cautious majority" is needed to truly drive up consumption again and revitalize the need for more hiring. In the period before a vaccine is widely available, "widespread testing and swift action to suppress outbreaks will be critical," Kelton said.

Next, she says the federal government should continue to "get cash into the hands of those in need." This includes state and local governments to begin restoring public sector jobs, as well as checks or prepaid debit cards to people who are unemployed.

Lastly, Kelton recommends the government do what FDR would have done: "Hire the unemployed and put them to work on a broad array of green investment projects aimed at rebuilding our physical and social infrastructure. It may sound extreme, but it's almost certainly the only way to create jobs for all."

David Madland, senior adviser at the Center for American Progress, says that the most important thing to get Americans back to work is a "national public health plan."

Madland says that a national public health plan with testing, tracing, and workplace safety standards is the most important thing to put Americans back to work.

He points out that economic activity is still much below normal levels even in parts of the country that have lifted (or never even put in place) social-distancing orders. Madland says that since the federal government has failed to provide adequate testing, tracing, equipment, and workplace standards, it's up to employers and public health experts to set and enforce safety measures. "Until there is a vaccine," Madland said, "Public health measures are the best way to get the economy going."

The second most important thing, he says, is to keep workers "attached" to their employers by the federal government during the pandemic, as done successfully in countries like Denmark. Too many of the private business loans, Madland says, went to giant businesses rather than actual small businesses, which has resulted in innumerable closures around the country.

Finally, Madland also thinks a publicly funded jobs program is necessary to create quality jobs with good training, fair pay, and benefits. This could include "a new health corps to do contact tracing, as well as green and more traditional infrastructure."

Stephen Moore, former Trump economic adviser, says that the best way to create jobs is to completely suspend payroll taxes on employees and employers for the rest of the year.

Moore says that governors need to "completely open their states to commerce immediately," and since Republican-led states already have a head start in reopening, they'll have a similar head start in reviving their job markets.

Policy-wise, the former Trump economic adviser says that there should be a "complete suspension of the payroll tax on employees and employers for the rest of the year." This will create a 7.5% cut in hiring costs for employers, as well as a 7.5% pay raise for workers, he says.

Moore also advises that Congress return to an older model of unemployment benefits, where jobless people make about 60% of their former salary. The current system of paying 100% or more, he says, is unsustainable and will stall the economy.

Abbey Carlton, director of social impact at the hiring platform Indeed, explains that states should work with Congress to create subsidized employment programs.

Carlton says now is the time for employers and workers to focus on developing new skills. COVID-19 has shifted the job market, and some jobs may be unlikely to return at all.

It's critical to ensure that vulnerable job seekers and workers with nontraditional backgrounds have pathways to find employment, Carlton says, and that employers also "will need to take a hard look at their current training investments to identify where they will need to re-skill and up-skill workers," she says.

In the last recession, Congress created the Temporary Assistance for Needy Families Emergency Fund to help states establish or expand subsidized employment programs, which Carlton says the government should do again because, although short-lived, the program created over 260,000 subsidized jobs and put people to work.

Kermit Baker, chief economist at the American Institute of Architects, suggests creating new jobs in at-home care for senior Americans, redesigning offices to accommodate social-distancing, and launching pop-up food venues to employ unemployed service workers.

Baker suggests that there are job opportunities related to the care of aging baby boomers. As many now want to avoid nursing homes during the pandemic, their houses needed to be modified to accommodate their needs. This could create a new need for workers in design, construction, healthcare, social work, and technology.

He also says that office spaces will need to be fully redesigned to "accommodate social distancing and reduce interaction" before workers return.

For communities, Baker says that pop-up food eateries and food trucks have an opportunity to become more popular during COVID-19. "As diners look for less congested options, smaller, simpler venues are a way to set up with limited requirements, and help reemploy unemployed food service workers," he adds.

Andrew Stettner, economist and senior fellow at The Century Foundation, advises that the "additional \$600 per week" in unemployment pay should continue until the pandemic ends.

Although Congress did expand unemployment benefits during COVID-19, Stettner explains that this aid won't last forever. After July 31, millions of families will be forced to rely on unemployment payments that amount to only 45% of their usual wages, and special benefits to gig workers will expire on December 31.

"The Congressional Budget Office predicts that the unemployment rate will still be 11.7% in fourth quarter and 10.1% next year — worse than the Great Recession when Congress delivered 99 weeks of jobless pay," Stettner writes.

Given this, Stettner says that Congress should continue the extra \$600 per week in jobless pay until the coronavirus public health emergency ends, and then convert to an extra \$350 to \$450 per week depending on the state.

"With so much up in the air about our ability to contain the COVID-19 pandemic, the least we can do is to make sure that jobless workers know they can make ends meet."

Harold Cole and Lee Ohanian, coauthors of "New Deal Policies and the Persistence of the Great Depression" say that older, high-risk workers "should be incentivized to take early retirement."

Cole and Ohanian say that policies to return people to work should focus on local conditions and hold businesses accountable for worker safety.

They say that relatively low-risk workers (those under 60 and who are healthy) should return to work, while high-risk workers (those over 60 or who have comorbidities) should be "incentivized to take early retirement" by reducing the age at which a retiree is eligible for benefits.

The pair also said that "unemployment benefits should be replaced with cash equivalent transfers that do not depend on employment status," to continue to support low-income workers, whether they are employed or not.

Cole and Ohanian also say that businesses should receive tax incentives based on a low rate of COVID-19 among their workers, which they say is similar to experience ratings for employer unemployment contributions.

"Less densely populated areas and areas that already have been significantly exposed can reopen more aggressively," they said. "Policy makers need to get this right, and get it right now to avoid a second Great Depression."

Corey Johnson is the Speaker of the New York City Council. He says green jobs could lead the way.

Corey Johnson says that federal government programs during the Great Depression made a huge difference by offering employment for out-of-work Americans and improving community and national infrastructure.

"It was a huge success that not only provided millions of people with stable employment, but also gave this country an abundance of artistic projects and public works that we desperately needed," Johnson said.

Now, the speaker says similar programs can be put in place to build more resilient infrastructure as well as a transition from fossil fuels to clean, renewable energy, and a more circular economic system.

"The situation we're in right now, although dire, gives us some unique advantages toward enacting a green infrastructure program," he said. "Our workers are hungry for new jobs. Many of our manufacturing plants sitting idle would welcome being converted to new high-tech and lucrative uses. Raw materials are at record low prices, and low interest rates would make instituting such a program relatively easy."

Johnson says it important to now aggressively plan for the oncoming effects of climate change as a main element of the COVID-19 recovery efforts.

"The federal government has the opportunity to put people back to work by focusing on green, nationwide infrastructure problems that will tackle some of the looming problems of tomorrow, today."

Annelies Goger of the Brookings Institute outlines how governments and public schools could make more apprenticeship programs to get unemployed people back to work while learning new skills.

Goger argues that the US needs to retrain the millions of unemployed Americans to secure in-demand, well-paying jobs. To do this, policymakers should work with the nation's public education system in new ways.

She suggests that the government should provide one-on-one career navigation services to anyone who wants them. Rather than stand-alone job centers, these centers should be located in public high schools, community colleges, and universities to convey that working and learning can happen at the same time and are mutually reinforcing. Free guides to the job search process and opportunities for professional networking also need to be much easier to find, she says.

Additionally, Goger argues that the US needs to invest in affordable training pathways designed for adult learners to learn while also working or completing an apprenticeship program. "We need permanent higher education funding streams for public colleges to offer pathways that are modularized and stackable, so that someone can learn while earning income," she writes.

To get people working, Goger says the US must ensure certain public services such as access to mental health, child care, and transportation: "Without bold solutions, COVID-19 threatens to further increase economic inequality."

Jerome Karabel, professor of sociology at the University of California at Berkeley, says new projects to improve America's "dangerously antiquated" infrastructure could put thousands of people to work.

Karabel sees a few key opportunities to put Americans back to work. The first is creating a government-business partnership to address what he calls the country's "dangerously antiquated infrastructure."

"The American Society of Civil Engineers assigned the United States infrastructure a grade of D+, noting particularly hazardous problems affecting drinking water, dams, and levees, and roads. And, as demonstrated by Michigan's recent dam collapse, neglecting infrastructure problems can be disastrous," he writes.

Hiring millions of Americans to engineer, build, and implement updates to the country's infrastructure is a win-win, he writes. These new jobs should include "green" jobs such as ones in solar power.

His second proposal would shake up the home-healthcare system. Employment of home-healthcare workers was projected to increase by 41% between 2016 and 2026, leading to 7.8 million job openings, he said. "Job training for home-healthcare workers would facilitate higher wages, lower rates of turnover, and allow the elderly to receive higher quality care in their own homes."

The US also needs to address surging youth unemployment. "We should deploy their energies and talents through programs like a radically expanded AmeriCorps, a 21st-century Civilian Conservation Corps, and a large-scale program modeled on Franklin Roosevelt's National Youth Administration, which provided employment and training to more than 4.5 million youths."

Jeffrey Miron, the director of economic studies at the Cato Institute, says the government should repeal regulations to spur private-sector growth.

For Miron, getting Americans back to work means getting the economy back up and running as quickly and safely as possible. "This requires reduced impediments to economic activity and reduced disincentives to employment," he writes.

By scaling back lockdowns and permitting individuals and businesses to adapt and operate in a post-pandemic world, policymakers can facilitate the economic activity and innovation necessary to develop a resilient, long-term economic norm. A crucial part of his plan involves making sure that laid-off workers are not incentivized to stay out of the workforce.

"Current proposals provide unemployment insurance benefits under which many lower-income workers are better off staying at home than re-entering the labor force. Even when governments lift lockdowns, businesses will be crippled without an adequate supply of labor," he writes. "Now, more than ever, businesses must have the freedom to develop novel workarounds to never before seen challenges."

Miron's response was cowritten by his research assistant, Erin Partin.

Paula Krebs, executive director of the Modern Language Association, says the government should hire researchers, artists, and writers in schools and libraries to help in research and education.

According to Krebs, the US needs a federal employment project along the lines of the Works Progress Administration (WPA), the Depression-era program that employed millions of Americans in public-works projects, from building roads to painting murals and writing poetry.

"A new WPA would bring back to work hundreds of thousands of unemployed artists, performers, arts administrators, historians, literature and language professionals, and anthropologists to help the nation adapt to these changing conditions," she writes.

The government could hire researchers at libraries and museums and unemployed Ph.D.s in public-school systems, for example. The private sector could do its part by hiring people from nontraditional backgrounds.

Jason Furman, professor of the practice of economic policy at Harvard University, says the federal government needs to fund states and local governments to avoid further layoffs.

The easiest way to get a worker into a job is to avoid them losing the job in the first place, Furman says.

"The lowest-hanging fruit would be large-scale assistance to state and local governments in order to prevent them from the large-scale layoffs they would otherwise need to make in order to satisfy their balanced budget requirements in the face of plummeting tax revenue," he writes.

The Harvard professor also suggested more investment in community colleges, which can provide career pathways for unemployed Americans.

Rep. Don Beyer says ramped-up unemployment benefits should be tied to the state of the economic recovery and the government should fund infrastructure.

Beyer expressed optimism that with the right policies, the nation is still in a position to "productively employ" many Americans who lost their jobs because of the pandemic. The Virginia congressman supports connecting unemployment benefits to the nation's economic health to shield Americans from hunger, homelessness, and poverty.

Beyer backs implementing an expanded system of testing and contact tracing by funding state governments, calling it a "no-brainer." He suggested hiring recent college graduates who don't qualify for unemployment benefits for the effort.

He also said millions of working parents wouldn't be able to head back to work without readily available childcare, warning that up to 4.5 million kids and their families could be affected by a wave of closures.

"Almost 90% of childcare providers report that they would be at risk of closing permanently without federal support," Beyer adds.

He also called for significant federal investments to overhaul the nation's digital and transportation infrastructure, as well as to accelerate a transition to renewable energy sources and address an affordable-housing crisis. Beyer says these measures would bolster employment.

Matthew Jackson, professor of economics at Stanford University, doubles down on infrastructure and wants a reassessment of student-loan repayment.

According to the Stanford professor, now is no time for a laissez-fair approach to getting the economy back up and running.

"It is not a time to wait for the economy to pick up on its own — we will be hit again as recurring waves and shutdowns continue to ripple through the economy," he said. "People will

be cautious in spending money for some time, businesses cannot simply return to normal crowds, and some jobs will never be coming back."

Instead, the federal government should update the country's infrastructure, Jackson argues. There are two main reasons: First, because it's in need of repair and would employ millions of Americans, and, second, because less people are using bridges, roads, and airports right now as self-isolation for many continues.

Jackson suggests government leaders create new infrastructure plans with the environment in mind to address climate change. Repairing and extending public transportation systems, improving pedestrian and bicycle access in urban areas, as well as investing in more sustainable power sources are just a few specific ideas he proposes.

He also suggests changes to repaying student-loan debt, as many unemployed people may need to go back to school to gain relevant skills. Student debt, he argues, should be repaid as a percentage of future earnings, a feature that some existing federal programs already have, instead of as a fixed payment.

These fixed-payments, he argues, put unnecessary financial burden on young people when they don't land a steady, well-paying job immediately after graduation. Making it easier for Americans to reskill and revamp their careers should be a priority.