

# Whitney for Governor 2006

*Jennifer Rose, Campaign Manager*

*(618) 528-VOTE - [campaignmanager@whitneyforgov.org](mailto:campaignmanager@whitneyforgov.org)*



## **Full Employment at a Living Wage: How I will Fight for Good Jobs for All!**

by Rich Whitney, Green Party Candidate for Governor of Illinois

### **The Problem: Not Enough Good Jobs for All Who Need Them**

The official unemployment rate in Illinois is currently about 5.5 percent. Unofficially, unemployment is much higher, since the official rate does not include people who still want jobs but have given up actively searching for them. And as we know all too well in Southern Illinois, many of those who are employed have marginal jobs low wage, temporary or part-time jobs that don't pay enough to support a family and have no health-care or other benefits.

Let's start with a basic question: Why? Why, even though American workers are among the best educated and most productive in the world, do we still have the problem of widespread unemployment?

### **The Cause: The Private Sector Is Not Designed to Create Full Employment or High Wages**

If we think about it, the answer isn't too hard to find: Our present economic system is not designed to create full employment. The giant corporations that dominate our economy today are not in business in order to employ people. They are in business for one reason only to make the maximum possible profit. And that means that they are driven to eliminate jobs, to employ as few workers, working as hard as possible, at the lowest wages that the job market will let them get away with. If they can meet the same production goals by paying lower wages somewhere else, including poor nations like Mexico, Haiti, China, etc., they will close up shop here and relocate there. If they can eliminate jobs through automation, they will do that. But clearly, they and the "private sector" as a whole are never going to create job opportunities for all who need them.

To need them, and promote equality of opportunity, we cannot rely on the private sector. We must look to our government, and to our own efforts as a people, to fill the gap.

### **The Solution: Creating Full Employment at a Living Wage Must Become a Goal of Government**

You would think that creating good jobs for all would already be a goal of government. After all, the Preamble to our Illinois Constitution states that our government was formed to "eliminate poverty and inequality; assure ... social and economic justice" and "provide opportunity for the fullest development of the individual." Yet both the Democratic and Republican politicians in Springfield today have pretty much ignored this obligation. In fact, in his budget addresses, Governor Blagojevich has repeatedly boasted about how many State jobs he has eliminated!

Of course, we all want to eliminate waste in government. But there are plenty of unmet social needs and lots of truly useful work that people could do if our government were to provide the means. Here are ten ways that a good, responsive government could go about creating quality jobs, while improving our quality of life:

### **A Ten-Point Plan for Creating Good Jobs for All**

1. Renovating our infrastructure. A commitment to renovating and properly maintaining our infrastructure waterways, bridges, roads, rail lines, public buildings and facilities would create thousands of good engineering, construction and maintenance jobs.

2. Building new, high-speed rail systems. Our over-reliance on the automobile as a principal means of transportation is exacting a terrible toll on our environment and makes us overly dependent on foreign oil. Building a new system of high-speed railways inter-connecting Chicago, Springfield, St. Louis, Carbondale-Marion and other key centers, supplemented by improved mass transit systems throughout the state, will be good for the environment, improve our quality of life and be good for our economy. Every billion dollars spent on rail transit creates 7,000 more jobs than the same amount spent on road construction.

3. Improving energy conservation. A uniform statewide energy efficiency code could reduce our state's energy consumption by over 30 percent, while creating over 59,000 new engineering, maintenance and construction jobs by the year 2015.

4. Supporting the development of clean, renewable energy. If Illinois were to adopt the "20/20" plan requiring 20 percent of its energy supply to come from renewable energy sources by the year 2020 Illinois consumers would save about \$3.6 billion from lower energy bills, Illinois farmers could earn about \$8 million from wind energy lease payments and over 56,000 new jobs would be created. Lower energy bills for businesses and consumers alike would stimulate spending in other areas of the economy, creating still more jobs. Measures to encourage the use of bio-energy, such as bio-diesel fuel, would benefit Illinois farmers, create more jobs and improve our environment.

Coal can also play a part in this energy future but only if we force the energy corporations to use the Integrated Gasification Combined Cycle process, which can burn high-sulfur Illinois coal almost as cleanly as natural gas and immediately retire older plants that kill thousands of people every year and contribute to global warming while burning out-of-state coal. Meanwhile, research into other clean-coal technologies, such as using coal to generate hydrogen fuel cells, should be stepped up. More immediately, we need to establish a major grant-and-incentive program to install energy-saving geothermal heating/cooling systems in homes and businesses. This could employ thousands of

currently unemployed former coal miners and other industrial workers at good, safe jobs that pay a decent wage.

5. Supporting small businesses — for real. Although giant corporations make headlines when they employ — or lay off — workers by the thousands, it is the thousands of small businesses in the State that are actually the best job creators. Small businesses already get a tough break from the federal government, where they got socked, for example, by the Self-Employment tax, then have to pay again on the same income on their income taxes! The State of Illinois doesn't help matters, as it overloads small business owners with the so-called Replacement tax and unemployment insurance payments, on top of payroll taxes, sales taxes and numerous fees — all of which require hours of paperwork to process. While some of these taxes are essential, we can and should do better at reducing the burdens on small businesses, by eliminating some fees and better consolidating our tax structure. In addition, the State can and should do better at assisting small businesses and especially new startups by making low-interest revolving loans and grants more readily available.

6. Promoting capital improvement and public works. Besides renovating our infrastructure, we need to improve it, by, for example, building better parks and recreational facilities, libraries, schools and low-income housing, all of which are badly needed.

7. Creating more, better-paying social service jobs. The Illinois Department of Human Services, the Department of Employment Security, Department of Children and Family Services and other state agencies could be used to gainfully employ people in the service of others who need help — drug and alcohol rehabilitation, prison rehabilitation programs, adult education, job placement, parenting education and prenatal care, child care, public health, elderly care and more. These agencies are understaffed and its workers underpaid. Yet investments in "human services" pay off in the long run, as they reduce the social costs of crime, poverty and disease.

8. Raising the minimum wage. A full-time job should provide enough income to support a family but many jobs today don't pay nearly enough. The buying power of the minimum wage has fallen by more than 20% since a peak in 1979, even as productivity has increased by more than 35%. If the minimum wage had kept up with increases in productivity since 1967, it would now be around \$11 per hour. I would support raising the minimum wage to \$7.50 an hour right away, and then gradually increasing it until it approaches its 1967 value, adjusted for inflation and gains in productivity. Partial exemptions could be permitted for start-up and small businesses, hardship cases and summer youth employment.

9. Passing a living wage law. A living wage law would require State government to pay its own employees a living wage, and require every firm that receives a benefit from the State such as a contract, subsidy or tax exemption to pay its employees a living wage. The law would define a "living wage" as a wage equivalent to the federal poverty level for a family of four, (roughly \$8.30/hour), plus full health benefits, or, alternatively, 25% above the federal poverty line for a family of four. Businesses that receive a benefit from government ought to be required to return the favor to the State and its people.

10. Making corporations accountable and encouraging other forms of business ownership. A corporation is a special form of business ownership that exempts owners from legal liability for any misconduct. Originally, in exchange for this privilege, state governments would charter corporations

under strict conditions, placing limits on their business activity and requiring socially responsible behavior. Today, however, corporations have become so powerful that they control state governments instead of the other way around! In Illinois, they have used their great power and influence over government to win hundreds of millions of dollars' worth of special tax exemptions and subsidies — causing much of the State's current budget crisis.

The people of this State need to fight to reclaim our democracy from the power and influence of the giant corporations. That is why this campaign, like other Green Party campaigns, does not accept corporate campaign contributions. If elected, I will fight to restore corporate chartering laws and regulations needed to curb corporate misconduct and promote the social good. I will also promote worker ownership and control of corporations, and workers' cooperatives, as an alternative to the corporate model based on exploiting workers. Instead of using tax breaks and subsidies to enrich giant corporations that behave irresponsibly, we can provide modest tax credits, grants and low-interest revolving loans to worker-owned enterprises and to those corporate entities that agree to hold themselves accountable to the public interest.

When corporations do behave irresponsibly by shutting down and/or relocating production facilities, local governments should be authorized to use the power of eminent domain to take control over those facilities and turn them over, either to their workers, organized as a cooperative, or to homegrown small businesses.

## **Questions and Answers**

### **If you create all these government jobs, won't this raise my taxes?**

Obviously, any government job program will cost money. But it won't cost as much as you might suppose. Money spent on good job creation will obviously reduce the costs spent on unemployment insurance, welfare and other services to the poor, and in the long run will reduce the costs imposed by crime and other social disorders.

Our tax system in Illinois is in need of a major overhaul. Years of big tax giveaways to big corporations and the wealthy have made a mess of our State budget. To address this problem, and meet other social needs like the need for good jobs, overall tax revenues will have to go up. It's better to be up-front and honest about calling for a tax increase than to duck the issue and pretend that our stubborn budget problems will go away.

However, if elected, I will fight to overhaul our tax system to make it more fair, reversing the special favors for big business and the wealthy, placing more of the burden on those best able to pay, and reducing the burden on lower and middle-income workers. This tax reform plan also includes provisions for badly needed property tax relief. (See my budget position paper for more details.)

Besides, setting aside a reasonable share of our collective wealth to provide for the common good is what government is supposed to be about. People naturally resent paying taxes when government is wasting money on things that do not benefit society. But spending tax dollars on projects that create high-quality jobs for all, while improving our quality of life and

our environment is money well worth spending.

**Won't this just drive businesses out of Illinois?**

The gains in employment will far outweigh any losses. Some businesses will be attracted by having a well-educated and well-trained workforce, higher productivity and a high quality infrastructure. The Whitney/Green Party plan for full employment would give Illinois a big advantage on that score. Government-provided universal health care — which I will also fight for — would provide a huge cost savings to businesses, especially those that employ highly trained, better-paid workers, and would make Illinois a very attractive place to do business.

A well-paid, fully employed work force would also provide a tremendous surge in consumer spending, which in turn would attract additional business, as well as spur investment in existing and/or new businesses. The Whitney/Green Party plan would also counter the problem of "runaway shops" by using the State's power of eminent domain to take hold of their facilities and place them under new ownership, as described in point 10 of the program.