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Prospect Corridor Initiative
Special Report 2001/02

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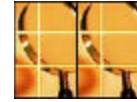
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COMMUNITY SERVICE JOB ASSURANCE FOR THE PROSPECT CORRIDOR INITIATIVE

BY
MATHEW B. FORSTATER

JUNE 6, 2001



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BY MATHEW B. FORSTATER, DIRECTOR

Testimony of Mathew Forstater, Director, Center for Full Employment and Price Stability, University of Missouri – Kansas City, to the City of Kansas City, Missouri, Planning and Zoning Committee on June 6, 2001

Any comprehensive community development project will be limited unless it addresses the issues of widespread unemployment and shortage of community services. Nobel-prize winning economist Amartya Sen has pointed out that there are three different aspects to employment: the *income* aspect—employment provides income security for the employed; the *production* aspect—employment results in goods and services; the *recognition* aspect—the employed person is engaged in a worthwhile activity.

When members of the community are employed at jobs that provide public and social services, the person employed has income and recognition, and the community gets better and more services. In addition, there are not only the initial benefits of job and income security and more and better public and community services. There are also the numerous indirect benefits—the *economic and social multipliers*—that accompany these. On the economic side, the initial job and income growth associated with employment translates into further increased spending and rising incomes throughout the community. The social multipliers concern the benefits to individuals, families, neighborhoods, and communities of decreased crime, drugs, and family disruption, and increased and strengthened security, education, health, care for the infirm and the elderly, and environmental protection.

Recall that the 1963 “March on Washington” was officially named the “March on Washington for *Jobs* and Freedom.” Indeed, the theme of job creation runs through Dr. King’s writings. Perhaps no single policy could have as great a social and economic impact on the African American community—and the entire country—as job assurance for every person ready and willing to work. This is a policy approach that was explicitly supported by Dr. King, and that is currently receiving attention in economic and policy circles.

During the recent economic expansion, we heard a lot about the relatively lower unemployment rates and the ‘success’ of ‘welfare reform.’ But the African American unemployment rate remained stuck at around double that of whites, and the real test of the ‘Personal Responsibility Act’ will be as the economy slides deeper into recession. Official unemployment figures go down not only when the unemployed find work, but when ‘discouraged workers’ drop out of the labor force. As Dr. King recognized, “Many youths are not listed as unemployed because in despair they have left the labor market completely. They are psychologically disabled and cannot be rescued by conventional employment” (King, 1967).

Those in prison are also disproportionately young, black, and male and are also not included in official unemployment figures. Combined with other recent developments such as the exploding homicide rates for young, Black men (itself linked to the ‘war on drugs’) and the return of the death penalty (with a disproportionately young, Black, male death row), this explains the decline in marriageable-age Black men—unlike ‘welfare incentives’ a factor with some explanatory power in understanding the decline of the two-parent family among African Americans.

As Dr. King well-understood, what emerges is a system that excludes many young African American women and men from participating, and creative policy measures are required to respond effectively and fairly to this challenge: “There are also some Negro youth who have faced so many closed doors and so many crippling defeats that they have lost motivation. For those youth who are alienated from the routines of work, there should be work situations which permit flexibility... until they can manage the demands of the typical workplace” (King, 1967).

While the development of skills and support of educational experiences are important characteristics of Community Service Job Assurance, “The jobs should nevertheless be jobs and understood as such, not given the false label of “training.” (King, 1967). Referring to the historical and structural socioeconomic experience of some of the young and long-time discouraged, Dr. King envisioned Community Service Jobs as providing them with “special work places where their irregularity as workers can be accepted until they have restored their habits of discipline” (1967). At the same time, he insisted that “we need to be concerned that the potential of the individual is not wasted” (King, 1967). For Dr. King, Community Service Job Assurance is capable of reconciling these various requirements, as it is conceived around the idea that “New forms of work that enhance the social good will have to be devised for those for whom traditional jobs are not available” (King, 1967).

In *Where do We Go From Here?* (1967), Dr. King elaborated his vision of Community Service Job Assurance. First, development of skills and education are outcomes, not prerequisites, of the program. Second, the jobs are producing community and public services that are in short supply and that benefit the neediest communities. Third, the program generates incomes for individuals and families that have unmet needs. Fourth, there are numerous social-psychological benefits for individuals, families, communities, and the nation:

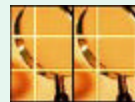
The expansion of the human services can be the missing industry that will soak up the unemployment that persists in the United States. *[It can be the]* the missing industry that would change the employment scene in America. The expansion of human services is that industry—it is labor intensive, requiring manpower immediately rather than heavy capital investment as in construction or other fields; it fills a great need not met by private enterprise; it involves labor that can be trained and developed on the job. (King, 1967)

The Rev. Dr. Martin Luther King, Jr. supported Community Service Job Assurance throughout his life. It was a concrete part of his Dream, but he did not view it as utopian or overly-idealistic: “This country has the resources to solve any problem once that problem is accepted as national policy” (King, 1965). By supporting the provision of community services, “[i]t raises the possibility of rebuilding America so that private affluence is not accompanied by public squalor of slums and distress” (King, 1968).

In 1963, Dr. King wrote: “I would challenge skeptics to give such a bold new approach a test for the next decade” (King, 1963). We know that unfortunately we did not take up his challenge at that time, but it is not too late to take up that challenge now, as we enter the new millennium. Let’s support the Prospect Corridor Initiative in developing Community Service Job Assurance that can serve as an example for the entire nation.

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The Center for Full Employment and Price Stability is a non-partisan, non-profit policy institute at the University of Missouri - Kansas City dedicated to promoting research on and public discussion of issues related to macroeconomic and monetary policy, especially employment and budgetary policy. The Center is interested in your feedback on the ideas put forward in its publications. You can contact us at:

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