A Hand Up Is Not a Handout

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Americans love the notion that we can all pull ourselves up by the bootstraps. Yet in this time when millions of jobs have vanished in the United States, supports for struggling Americans are crumbling, and education budgets have been squeezed and slashed, we need to focus on another enduring American ideal—strengthening the rungs on the ladder of opportunity.

Rather than helping the millions of individuals and families who have been affected by the economic earthquakes that have reshaped the American economy, many GOP lawmakers are employing an alarming blend of spin and psychology to justify unraveling the social safety net. Their rationale? Extending unemployment benefits would be a “disservice” to jobless individuals, and the food stamp program encourages “dependency” and “discourages people from working.” Such logic ignores the millions of people who rely on assistance not because they are shirking work, but because they’re unable to find it. The troubling message is that aid for people in poverty or in crisis is a handout, not a hand up.

Let’s do a mini-lesson in critical thinking. Here’s a glossary of programs that many lawmakers love to hate. Let’s examine whether they are a drain on or a benefit to individuals, their families and our communities.

Unemployment insurance: There are currently more out-of-work job seekers than jobs being created, and many new jobs require new skills. Unemployment insurance is a lifeline for Americans looking for work, as well as for their families. And it’s good for the economy. Unemployment insurance lifted an estimated 2.5 million people out of poverty in 2012 alone. One dollar of extended unemployment insurance pumps $1.49 back into the economy.

Food stamps: The Supplemental Nutrition Assistance Program helped 4 million people climb out of poverty in 2012 and kept millions from going hungry. And every $5 billion of food stamps generates up to $9 billion in economic activity.

Medicaid: The Affordable Care Act allows states to expand Medicaid coverage to many more low-income people, with the federal government picking up almost all of the costs. Not surprisingly, expanding Medicaid to cover low-income adults reduces mortality and improves access to care, particularly preventive care, which lowers healthcare costs. Yet 25 states, cheered on by the Tea Party, have refused to expand coverage.

Pre-K: High-quality early learning programs help close the school readiness gap for disadvantaged children and lead to greater literacy, decreased need for special education services and increased high school graduation rates. At-risk children who attend high-quality early learning programs have been shown to have increased employment as adults and higher lifetime earnings, as well as reduced incarceration and less need for social welfare programs. Every dollar spent on high-quality programs produces long-term savings of at least $7.

Minimum wage: Raising the federal minimum wage to $10.10 by 2016 would restore it to roughly the same inflation-adjusted value it had in the late 1960s, according to the Economic Policy Institute. Such an increase would raise the wages of 27.8 million workers, and grow gross domestic product by about $22 billion, resulting in the creation of roughly 85,000 net new jobs.

Paid sick leave: Paid sick leave offers economic benefits by reducing workforce turnover, increasing productivity and lowering healthcare costs. And the health and societal benefits are priceless. Paid leave is a lifeline for female workers in particular, 42 million of whom are in poverty or on the brink, and for the 28 million children who depend on them.

Retirement: Half of American households have less than $3,000 in retirement savings, and those near retirement have less than $12,000. Many have none. Social Security provides more than 90 percent of retirement income for a quarter of married couples and almost half of unmarried people. Yet rather than confront our retirement insecurity problem, states are making it worse by cutting public sector pensions.

Let’s strengthen the rungs on America’s ladder of opportunity.

Union membership: The decline in unionization is directly related to the decline of the middle class, stagnant wages and rising income inequality in America. Workers’ pay is higher when they’re in a union, and they have greater access to health insurance and retirement benefits.

The shifts in our economy have shown how easy it is to fall into poverty and how hard it is to climb out. But this decline is not inevitable and it is not irreversible. The policies described above, including a strong labor movement, are rungs on America’s ladder of opportunity. They should be strengthened, not destroyed.