

Opinion

America Needs Some Repairs. Here's Where to Start.

This nation began as a set of promises that it has yet to keep.

By The Editorial Board

The editorial board is a group of opinion journalists whose views are informed by expertise, research, debate and certain longstanding values. It is separate from the newsroom.

July 2, 2020



Joshua Bright for The New York Times

This weekend we celebrate the creation of the United States, though that project remains substantially incomplete. This year of crises has underscored the distance between the lofty rhetoric of our founding documents and the persistent inequalities of American life. This nation began as a set of promises that it has yet to keep.

Millions of Americans, especially Black and Hispanic Americans, lack the economic security that makes other freedoms meaningful — and they are denied the opportunity to improve their lives.

In recent months, under the banner “The America We Need,” the Opinion section has presented a wide range of ideas for reorganizing our economy, our society and our democracy. Some of the most important are described below.

Americans committed to the equality of opportunity can resist the economic segregation of their own communities: There is no such thing as separate but equal. Institutions, too, have a role to play. Universities need to stop giving preference to the children of alumni. Corporations need to provide paid sick leave to all employees.

The focus here, however, is on reshaping the laws and public institutions of the United States to better serve the people of the United States.

Actually Leave No Child Behind

With each birth comes an opportunity to begin the remaking of American society, by ensuring that every child is raised in economic security and has the chance to prosper. The federal government could help by providing money. The economists Darrick Hamilton and William Darity Jr. have proposed that the government give every newborn a savings account seeded with \$1,000, with an additional annual deposit of up to \$2,000 depending on family income. These “baby bonds” would be, in effect, a Homestead Act for the modern era, providing everyone with some means to pursue an education, buy a home or start a business.

Senator Cory Booker, Democrat of New Jersey, has introduced legislation to fund baby bonds through a modest increase in inheritance taxation. The combination would reduce the inequalities of wealth that exert a growing influence on American life. And while the policy is race-neutral, it would serve as a particular antidote to the persistent wealth gap between Black and white households, which has its roots in slavery and then in systemic racism.

Reversing the economic segregation of residential life also is critical. Lower-income children raised in mixed-income neighborhoods are much more likely to prosper than those raised in neighborhoods of concentrated poverty, but the wealthy increasingly live in economically segregated communities designed to keep their tax dollars close to home. State governments can break down those walls. Oregon, for example, has prohibited single-family zoning in cities with more than 10,000 residents. The federal government can help by adopting the proposal of Senator Elizabeth Warren, Democrat of Massachusetts, to provide \$10 billion in infrastructure grants as a reward for cities that allow housing construction.

Offering public education to all children beginning at the age of 4, as in New York and Florida, would help to put lower-income students on a path to success. The United States also stands out among developed nations in devoting more public resources to educating affluent children than poor children. Funding schools based on the needs of the students, rather than the value of parents’ homes, would improve the quality of public education.

Finally, the government needs to invest in infrastructure: Unleaded water, high-speed internet access, sustainable sources of energy. Left unchecked, global warming poses an existential threat to the security and prospects of future generations.

The Fruits of Their Own Labor

Over the past half-century, the government has pursued economic growth without much regard for the distribution of prosperity. The result: Slower growth and yawning inequality.

It’s time for a course correction.

The Federal Reserve, which possesses enormous power to stimulate economic growth, is charged by Congress with maximizing employment. But in recent decades, the Fed has systematically underestimated the economy’s capacity for job creation, leaving many Americans — particularly minorities — without jobs for extended periods and making it harder for workers to win raises. Jared Bernstein, an economist at the Center on Budget and Policy Priorities, and Janelle Jones of the Groundwork Collaborative have suggested a simple corrective: Instead of targeting overall unemployment, the Fed can correct its aim by targeting the Black unemployment rate. If the Fed provides enough stimulus to bring down Black unemployment, everyone benefits.

The government also can help workers take home a larger share of the nation’s economic output, reversing a long-term power shift toward employers, by increasing competition in the labor market. Enforcing antitrust laws would help to limit the predominance of large employers. Banning noncompete clauses would make it easier for workers to sell their services to the highest bidder. Reducing, and in some cases eliminating, occupational licensing requirements would also help.

And the government must ensure workers are free to bargain collectively if they so choose.

Stronger minimum standards for compensation and benefits would also serve to check the power of employers. House Democrats have passed a bill that would raise the national minimum wage to \$15 an hour from the current paltry standard of \$7.25 an hour, and the new minimum would rise with inflation, to prevent the erosion of purchasing power. The Congressional Budget Office reported in 2018 that fewer than half a million workers were paid the minimum wage — but more than 17 million workers most likely would see their own wages increase if the federal minimum was raised.

An expansion of the earned-income tax credit, which effectively refunds a portion of the payroll tax lower-income workers pay toward Social Security and Medicare, would be an effective supplement to a higher minimum wage. It would help workers, by allowing them to keep a larger share of their earnings, without increasing the financial burden on employers.

Every worker needs paid sick leave and family leave. Regulators need to crack down on the practice of classifying workers as contractors. And extending federal labor protections to nannies, health aides and other domestic workers would correct a longstanding injustice that has never had a justification other than racism.

With Housing and Health Insurance for All

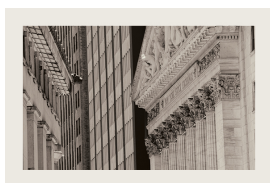
Americans also need a stronger safety net. In the richest nation on earth, more than half a million people are homeless on any given night — and millions more struggle to afford a place to live. Just as the government provides food stamps to those who are hungry, it can provide financial assistance to those who can't afford housing.

More from “The America We Need”



Women Ask Themselves, ‘How Can I Do This for One More Day?’

By Leah Nash



The Neoliberal Looting of America

By Mehrsa Baradaran

The federal government already provides vouchers to about a quarter of eligible families. Recipients pay 30 percent of income toward rent and the government pays the rest. Helping every eligible household would cost an additional \$41 billion a year — or less than 60 percent of the amount the government spends each year on the mortgage interest deduction and other tax breaks that primarily benefit wealthy homeowners.

Handing out vouchers is like adding people, but not chairs, to a game of musical chairs, so the government also needs to subsidize construction of more affordable housing, especially in the urban areas where jobs and services are concentrated.

More housing will help to reduce homelessness, but some people need more help. The government has mounted a successful campaign to reduce homelessness among veterans by providing aid calibrated to need: Some people get a security deposit; others, unable to function on their own, get a place to live and the treatment they need to stabilize their lives. Every homeless American deserves the same assistance.

Americans also need better health care. The United States spends a larger share of its annual income on health care than other developed nations, yet Americans suffer the worst health outcomes of any wealthy nation. That's not a good deal.

Other countries use a variety of systems to achieve better results, but those systems have two things in common: Everyone is covered, and the government seeks to hold down the cost of care. One way to move toward those goals is to increase funding for public health agencies, which provide effective front-line care, especially to lower-income households. The federal government created a Prevention and Public Health Fund in 2010, but it has been repeatedly raided, depriving state and local governments of needed financial support. Funding for public health has declined even as overall spending on health care in the U.S. has soared; the consequences have been on grim display in the pandemic.

Government for the People

America's economic crisis is rooted in a political crisis: A government that has privileged the interests of the wealthy over the welfare of the majority.

The need for change is clear, and many of these proposals enjoy broad support. For example, the Pew Research Center reports that two-thirds of Americans favor a \$15 minimum wage.

Yet the federal minimum wage remains at \$7.25 an hour.

In part, Americans embraced a misguided theory that focusing on growth without regard to distribution would lift all boats. In part, Americans accepted cheap goods as a substitute for good jobs. But the challenge is greater than simply convincing a majority of Americans to embrace a different set of priorities, because politicians also have insulated themselves from public opinion by erecting barriers to voting, and by turning elections into fund-raising contests.

The government must accept responsibility for making it easier to vote. A federal holiday on Election Day would signal the importance of voting, and every state needs to adopt a package of basic reforms: automatic voter registration, extended early voting and same-day, no-excuse registration for those who slip through the cracks — as well as enough voting equipment and polling stations to allow everyone to vote expeditiously.

The first bill House Democrats introduced in 2019, after retaking control of the chamber, included a number of these reforms for federal elections. It also provided a robust system of public funding for congressional candidates. It passed the House but not the Senate, where the connection between government and the governed is being strained by the growing divide between the distribution of the population and the distribution of senators.

The president, elected despite losing the popular vote, shares the Senate's antipathy to helping people to vote. The federal judiciary, too, is increasingly hostile to voting rights. The American system is designed to check the will of the majority, but recalibration sometimes is necessary to prevent too much power from accruing in the hands of a minority.

We began this series by citing the examples of Abraham Lincoln and Franklin Roosevelt, both of whom understood the centrality of economic freedom to the American project. Though both fell short of treating all people as equal, in periods of profound crisis, they seized the opportunity to move the nation closer to the fulfillment of its professed ideals.

In this moment, too, America needs to rejoin the difficult but essential work of ensuring all Americans have the freedom to enjoy life and liberty, and to pursue happiness.

How to Make America Fairer and More Resilient: A Checklist

The problem is clear. So are some of the solutions. The items on this list — most of which have been proposed in pending legislation, or put in place by local and state governments — would move America society closer to realizing its ideals.

A fair chance for children

- Create a federal savings account for every newborn child.
- Eliminate single-family zoning, as Minneapolis did in 2018.
- Provide universal prekindergarten for 4-year-olds.
- Spend more on the education of lower-income children.
- Get rid of lead water pipes. All of them.

Workers' compensation

- Instruct the Federal Reserve to minimize Black unemployment.
- Increase the minimum wage to \$15 an hour.
- Also, double the earned-income tax credit.
- Require employers to pay for family and medical leave.
- Extend federal labor protections to domestic workers.

A stronger safety net

Provide housing vouchers to all eligible families.

Reward cities that allow more housing construction.

Expand the program to end homelessness among veterans to all Americans.

Restore federal funding for public health agencies.

The will of the people

Make it easier for Americans to vote.

Provide public funding for congressional candidates.

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