

Employ Young Americans Now

An Example of Targeted Direct Government Job Creation

Introduction

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Literature Review

Nickell (1998) creates a simple model to explain why unemployment in the 1970's onward has been higher than before. He discusses about how there are theories that are consistent with almost any microeconomic numbers. He sees a lack of satisfactory empirical explanations for the unemployment rate time series. His model explains how a higher level of unemployment exerts permanent downward pressure on wages. However, in the end he concludes that there is no good explanation for the increase in the unemployment rate from these models. He conjectures that it may be related to workers owning more houses and having less mobility, A model for Britain showed that 13% of the explanation in unemployment came from skill mismatch, 19% from unionization, 23% from the tax wedge, and 3.5% from the real interest rate. This model however has seven variables and he feels it does offer a great explanation. He concludes by suggesting that because inflation in the 50s and 60s only developed when there were more vacancies than unemployed, and in the 80s it developed with more unemployed than vacancies, that there must have been some shift in behavior of workers or employers find it harder to hire workers. This model lacks the ability to explain external shocks, like the 70's oil shock, which may make inflation out of the hands of either worker or employer.

Blanchard and Katz give an overview of what we know and do not know about the natural rate of unemployment (1997). Friedman describes this as the rate of unemployment ground out by a general equilibrium model. Two main ideas have organized this theoretical walrasian general equilibrium framework to understand the concept of the natural rate. One is that there is frictional unemployment in such a framework, and second is that wage bargains

often differ from the competitive wage. They use micro data to establish that roughly 3% of employment each month comes from new flows. They go on to say that the natural rate of unemployment for no reason do they expect to be equal to this frictional level. The natural rate will be one which the supply wage and the demand wage are equal. The supply wage is the one which induces workers into work, where in tighter labor markets the real wage must be higher given the reservation wage. The demand wage is one determined by what firms are willing to pay based on productivity, input prices, and any other factors which affect the wage such as payroll taxes or a minimum.

They introduce the concept of skilled and unskilled workers in order to think about technological change and structural unemployment. Unskilled workers work close to their reservation wage, while skilled workers are paid a premium. A change in technology increasing demand for skilled workers and reducing it for unskilled works has asymmetric effects where unskilled unemployment will rise much more than the decline in skilled unemployment. Because of this mismatch in skills matching models are used to model some of the labor market. They argue that while models are a long way into understanding phenomena about the natural rate, the empirical evidence is lacking. Models by Blanchflower and Oswald, as well as the author's other work, demonstrate how regional models have better results than national ones. They call for macroeconomic and labor market economists to work together to bridge the gap between models and empirical evidence.

Skills based solutions to youth unemployment are heavily linked to reforming the education system. This is problematic as 47% of adults 26 or older have never obtained a higher education, and 11% of the over 26 population have not completed high school (author's calculations, ACS). Minsky said that "programs must be designed which hold out a promise of a useful and productive life for our high school dropouts" (Minsky 2013 pg 20). By targeting the education level of students as the problem for youth unemployment an extremely competitive system is developed. Naturally in a competitive system there are winners and losers. Supply side solutions fail to focus on the losers in the competitive education system. Yet, as James Galbraith argues in *A Good Society*, some minimum standard of comfortable living should be established for prosperity. There should be a standard for the losers of the system as well. This starts with

providing preschool for all and goes all the way through to the higher education system. Ahearn and Rosenbaum demonstrate that “high schools that frame college and career readiness solely in terms of four-year degrees may prevent such students from considering valuable and attainable alternative credentials” (2016). Andrew Kelley of the American Enterprise Institute (2015) polled Americans without college educations as to what they thought about postsecondary education. 57.5% agreed or strongly agreed to the statement “today’s colleges are not set up for people with family and work responsibilities.” The top two reasons the people said they do not enroll in college is that it costs too much (54%) or that they were not sure of their career plans (19.5%). College costs too much time and money and does not for certain provide links to the job market, making it a risky investment especially for disadvantaged youth. A supply side answer that totes a four-year degree as the solution for everyone is being unrealistic to the demand side of the economy.

Tcherneva explains that the Keynesian theory for demand side solutions to unemployment involves targeted government spending (2008). As Keynes would say, “the whole of the labor of the unemployed is available to increase the national wealth. It is crazy to believe that we shall ruin ourselves financially by trying to find means for using it and that safety lies in continuing to maintain idleness” (1981a: 881). From this theoretical conviction it follows that the best way to target spending to help the unemployed would be to spend money directly into the hands of the unemployed. Beyond the economic angle, Brenner shows “that actions which influence national economic activity-especially the unemployment rate-have a substantial bearing on physical health, mental health, and criminal aggression” (1977). With this link made, by targeting spending on the unemployed we not only employ them, but we help them deal with health issues in the process. This targeted approach is what Hyman Minsky had in mind when he made his job guarantee proposal.

This job guarantee program would allow for anyone willing and able to work to be guaranteed employment through federal funding. Minsky believed that poverty in the United States was intricately linked to unemployment as he said “it has never been shown that a thorough program of job creation, taking people as they are, will not, by itself, eliminate a large part of the poverty that exists” (Minsky 2013). EYAN is a small piece of such a program of job

creation, and follows the basic maxims of the type of policy Minsky envisioned. Minsky believed such poverty fighting policies should be open to everyone, and not require certain education levels. EYAN is such a policy since it makes no requirements for current skills or education level of participants, solely targeting low income youth with paying opportunities. EYAN also follows in Minsky's idea of a job guarantee since it is federally funded and locally administered.

Forstater argues that a job guarantee “must be through registered community service organizations that already exist” (2013). EYAN thus follows this model by requiring that community organizations be involved in determining how the funds are used in order to serve their local area. The Secretary of Labor makes allotments to the States, who make allotments to the local areas based on the rules based on relative youth poverty rates. These boards must make plans, allowing “members of the public, including representatives of business, labor organizations, and educational institutions” to submit comments and modifications (EYAN, 10). Local areas who do not submit their plans for using the funds get redistributed through the Governor of the State. The local boards, as long as they submit plans, are the ones responsible for determining how the money actually gets used. This follows a belief that local communities will know what is best for themselves, and hire youth in a way to best serve their community.

Hossain and Bloom of the MDRC (2015) discuss the problem of youth unemployment. Most efforts to improve labor market outcomes have focused on supply side solutions of building human capital, while the demand side is chronically ignored. Yet, with over half of young people in 2013 neither employed nor in school, supply side solutions seem close to their limit. The amount of youth who have enrolled in higher education has doubled from 25% to 50% over the past 30 years, yet the outcomes have been weak for disadvantaged youth. Systemic barriers related to race and poverty often make the higher education system perform worse for disadvantaged youth. To forgo income for 4 years, or have to work full time while taking classes, are luxuries that many cannot afford. After one year many low income students drop out of college due to lack of financial resources. Over half of US workers find their jobs through personal connections, so having to provide financially while at school also reduces time to make these critical connections to the high-wage sectors. The public education system fails to address

these disparities of outcomes, which makes demand side solutions more attractive for the youth unemployment problem.

They then review some previous demand side solutions to figure out which pieces of them were most effective. The 1973 Comprehensive Employment and Training Act (CETA) subsidized wages for young people participating in the public sector. While the aim of the bill was to create new jobs, concerns of “fiscal substitution” were abound, where private and local governments would replace current projects with the wage subsidies from the bill. This led many in general to conclude that CETA failed to have any impact on employment or earnings of the youth who participated. CETA transformed into the Job Training Partnership Act (JPTA) in 1982, which gave more oversight to local governments in how to use the money rather than the federal government. This program also offered supports like child care and transportation, but ultimately the program was found not to be cost effective since it did not produce large earnings impacts. This program was one that focused on training, but failed to have strong links to paid work experience. Most youth did not participate in the full length of the program.

EYAN is an improvement to these programs since it requires that “funds provided under this Act shall only be used for activities that are in addition to activities that would otherwise be available in the absence of such funds” (22). This means that these programs can and should not be used as substitutes for private sector wages. EYAN is an improvement to JPTA since it pays youth for the entire duration of the program, making it more likely for young people to see it through to completion. It also makes clear that the jobs created should be ones which give “industry recognized credentials,” meaning there should be a strong linkage to employment upon completion.

In this way EYAN is following some new programs which have had better results than CETA and JPTA. Job corps, conservation civilian corps, ChalleNGe, and Year Up have shown promise. The main take away from Hossain and Bloom is that the programs that have had the most success have a few features in common. Opportunities for paid work and financial incentives while in the programs keep young people in for the full length of time and help them receive maximum benefits. ChalleNGe and the job corps all paid weekly stipends to youth who were participating. Year Up had strong links to the private sector, corporations helping to create

the training curricula. This industry focus allowed access to higher wage jobs rather than generic low wage jobs. While JPTA was advertised as being locally administered, it failed to continue engaging with local employers over time. The most successful training site was in San Jose, California, where workers in the program had strong links to local job markets. The successful programs also provided for some of the most pressing needs facing youth. It was hard to participate if still struggling with unstable living situations, and access to food and childcare. The most successful participants in these programs were ones who got access to childcare and transportation vouchers, making participating effective for the young person and not forcing them to abandon their other responsibilities in the household.

This provides evidence that a demand based job creating solution like EYAN would be effective, and provides ideas for how to make it even more effective. EYAN as written provides strong financial incentives for participating, giving young people a year of work. If the jobs provided by the program help provide childcare and transportation for participants this evidence suggests the outcomes will be better. The bill makes a specific callout that funds “may be used to provide supportive services, such as transportation or child care” (EYAN). This shows that the bill is designed to get people working, and work with them for their needs in order to make that happen. Implementation also needs to make sure that there would be strong links to the private sector afterwards, so it does not become a year long program that does not improve outcomes in the longer term. These outcomes rely on what type of jobs local governments would implement when using their money from the bill. Childcare seems to be a great option as childcare workers already make up 1.52% of the disadvantaged youth workforce (author’s calculations ACS), and could create loops that allow other youth to participate in the program as well. The bill says that employment from the federal funds should prioritize “emerging or in-demand occupations in the local area” and “the public or nonprofit sector [to] meet community needs” (EYAN). This leaves the decision for which jobs to create within their own community, as Minsky saw for a job guarantee program.

Greenstone, Looney, Patashnik and Yu discuss 13 facts about social mobility and education in the United States through The Hamilton Project. More than one third of children today are raised in families with lower incomes than comparable children thirty-five years ago.

They make the argument that children are born with similar abilities but different opportunities. At the same time as rich families are able to invest more in their children's education, the achievement gap between low and high income students has been increasing. Graduation rates for wealthy students have increased sharply while for low-income students they have stagnated. Children from high-income families also dominate enrollment in America's most selective colleges. As these selective colleges set the bar for the rest of the higher education system, the institutional structure trends toward uniformity. The problem then arises when low-income students are expected to be able to have the same social supports when attending college as high-income students. This could be part of the reason why many low income students drop out after a single year of college.

College has increasingly been financed by student loans since the recession. This only exacerbates the problems. When students drop out they face the financial burden without any of the benefits of acquiring the degree. As a share of household income, outstanding student loan debt has increased from 15% to 24% of the lowest quintiles income share. 90 day delinquent borrowers have increased from 9% to 18% from 2004 to 2012. They argue that "given a college graduate can expect to make \$30,000 more per year than a high school graduate over the course of their life, the returns to college appear to warrant the cost of student loans for most students." While this may be true, there can be confounding variables to this argument. Students who can afford the time and money to take 4 years of foregone income could very well be making more whether they went to college or not. The income class of their parents should be controlled for before making such general claims. Children born into the lowest quintile have a roughly equal chance of making it to the middle income quintile whether they have a college degree or not. To make it to the fourth or fifth income quintile however reduces the chances from 20% to under 10% without a college degree (Greenstone 2015).

EYAN is a solution which directly creates jobs by focusing on the demand side, and allowing workers to gain skills on the job. While the bill targets a specific allocation rule for the funds, these funds could be used in different implementations. I model four different ways the funds could be allocated depending on who gets assigned to the jobs created. Two of them

follow the allocation the bill spells out exactly, while two make a slight modification in order to better regionally target the creation of jobs.

Methodology

All data is from the 2014 American Communities Survey (ACS). Four different plans are used to distribute the jobs created by the EYAN program. These plans are based on two different ways to allocate funds to the states and pumas. The first allocation rule, used in plans A and C, is the one stated in the bill, where states get funding based on \$1 billion distributed equally between states, \$1 billion distributed based on the relative number of youth in the state, \$1 billion based on the relative number of unemployed in the state, and \$1 billion distributed based on the relative number of unemployed youth in the state. In the second allocation rule, used in plans B and D, I drop the \$1 billion distributed equally between the states and make each other category worth \$1.33 billion. Figure 1 shows how many jobs would be created under each allocation rule. You can see how removing the equal amount in the distribution rule greatly boosts job creation in big states like California, New York, and Texas, reducing the amount spent in states that already have very low youth employment like Maine, Vermont, North Dakota, and Wyoming.

Figure 1

state	# of youth	# disadvantaged youth	# unemployed youth	% youth unemployed	youth jobs A & C	youth jobs B & D
Alabama	677702	255244	71965	10.6%	9669	9217
Alaska	117878	34800	9939	8.4%	2873	1069
Arizona	947570	346541	81939	8.6%	10919	11275
Arkansas	414093	162536	30113	7.2%	6420	5006
California	5669637	1840512	514594	9%	46793	59461
Colorado	732209	230799	52579	7%	7873	7260
Connecticut	490279	135112	45725	9%	5471	4432
Delaware	133009	37359	9589	7.2%	3301	1268

District of Columbia	105839	51013	8912	8.4%	2574	893
Florida	2557144	841195	222741	8.7%	25040	30079
Georgia	1453421	533913	139363	9.6%	17056	19060
Hawaii	194618	53219	13617	7%	4019	1824
Idaho	225594	82562	13488	6%	4837	2774
Illinois	1795641	573933	187503	10%	17741	20466
Indiana	933728	339372	79033	8.4%	11408	11572
Iowa	438075	165870	31522	7%	6280	4762
Kansas	417665	144394	29483	7%	6328	4763
Kentucky	596342	233818	57237	9.5%	8530	7701
Louisiana	657550	243450	57909	8.8%	9205	8598
Maine	163576	60076	10495	6.4%	4062	1861
Maryland	803108	212299	71935	9%	9515	9054
Massachusetts	983452	330712	79963	8%	8349	8229
Michigan	1399039	508772	136296	9.7%	14964	16720
Minnesota	720809	227961	54066	7.5%	8286	7563
Mississippi	433483	190426	49307	11%	7537	6375
Missouri	829813	290054	72181	8.6%	9785	9599
Montana	142543	60479	10542	7%	3650	1555
Nebraska	262325	91886	14859	5.6%	4211	2355
Nevada	377760	105141	34812	9%	5762	4451
New Hampshire	186131	54429	13703	7%	4097	1826
New Jersey	1159603	272298	94900	8%	10976	11520
New Mexico	300734	111928	30386	10%	5636	3958
New York	2767635	908392	230685	8%	22220	26597
North Carolina	1372215	525683	138124	10%	16431	18255
North Dakota	123798	47441	4564	3.6%	3573	1087
Ohio	1555889	541645	152053	9.8%	15555	17470
Oklahoma	552551	196237	40761	7%	7596	6460
Oregon	505953	192322	44590	8.8%	6294	5513
Pennsylvania	1721766	605658	151486	8.8%	18001	20332

Rhode Island	159091	61343	13827	8.7%	3327	1497
South Carolina	676282	269024	73655	10.1%	9435	8908
South Dakota	122036	48157	8329	6.8%	3150	1060
Tennessee	902409	344814	92778	10%	11807	12074
Texas	3919149	1283632	292039	7.5%	37476	46301
Utah	469197	134904	29149	6%	6440	4911
Vermont	89428	34724	6016	6.7%	2443	670
Virginia	1174466	382689	91522	7.7%	12135	12531
Washington	952826	287219	89944	9%	8759	8869
West Virginia	238712	93399	18847	7.9%	4569	2761
Wisconsin	790368	278033	54257	6.8%	9480	9074
Wyoming	81169	29309	3211	4%	3087	963

Source: ACS, author's calculations

After funding is distributed to the states, it gets further distributed to geographic PUMAs based on a similar model of relative number of youth, unemployed, and unemployed youth within the state. This money is then divided by the minimum wage in each state which is used as a proxy to determine the number of direct jobs that would be created for each PUMA. Next, a probit model is used to determine the likelihood of a young person being currently employed. This model uses a person's education, family size, income, sex, race, metro status, and state they live in, to generate this probability. Next, disadvantaged youth who are not employed in each PUMA are prioritized by the highest likelihood in plans A and B and given the jobs for that area until the jobs run out. In plans C and D, the lowest likelihood to be employed in the current system are prioritized for jobs first. A disadvantaged youth is one who is 16-24 and lives in a family whose income is one which does not exceed the higher of the poverty line for their family size, or 70% of the lower living standard income. I only allow each family with disadvantaged youth to receive one of the jobs, even if they have more eligible young people. There are 135,359,457 families in America. 4,262,406 of those have disadvantaged young people who are not employed. Around 11% of these disadvantaged youth receive jobs under each plan, but the distribution varies.

Results

504,945 jobs are created under plan A. 310,759 would go to women, and the remaining 194,186 to men. 403,182 would go to White people, 78,673 to Black people, 5,549 to American Natives, 16,120 to Asian and/or Pacific Islanders, and 1,421 to Other Races. 455,413 would be in metro areas, while 49,532 would be rural. By region, 198,296 of the jobs go to the South. 110,761 would be created in the Midwest. 116,942 get created in the West, and the remaining 78,946 would be made in the Northeast. 256,963 of the jobs go to youth who completed HS, 247,982 go to youth who did not. 73,299 go to families with incomes between \$0 and \$5000 a year. 157,911 go to income levels of \$5000-\$10000. 225,075 have incomes between \$10,000 and \$25,000. 47,543 of the jobs go to youth in families with collective incomes between \$25,000 and \$50,000. Only 1,053 jobs go to families with higher incomes than that. 364,223 of the jobs lift the associated families above the poverty line. This reduces the amount of families living below the poverty line from 17.22% to 16.95%. The gini coefficient for family incomes falls from .5124 to .5119. P1 goes from .0909 to .0897. P2 goes from .068 to .067.

These changes are relevant to the entire American society at large, when we look at the impact it would have specifically on members of the target universe for the jobs program we can see the benefits more clearly. 4,262,406 families have disadvantaged youth who are not employed. Their average incomes are \$7,914 for the year, while once the jobs program is implemented that income jumps up to \$8,848. The gap between male and female heads of family average income reduces from \$16,914.73 to \$16,900.5. Because more of the young people employed in EYAN are female than male, this bill also works on reducing gender income inequality. The west and the south both have 1.45% of their families living with disadvantaged youth. The bill only generates jobs for 11.73% of these families in the South, and 10.95% in the West, compared to 12.44% and 12.73% in the Northeast and Midwest.

Under plan B, 501,879 jobs are created. 307,852 would go to females, while 194,027 would go to men. 399,307 go to White people, 81,490 to Black, 3,870 to Native Americans, 15,716 to Asian and Pacific Islanders, and 1,496 other non-Hispanic races. 41,983 are in a

non-metro area, 67,834 are not identifiable and the rest are in the metro area. 204,541 of the jobs are created in the South, 113,883 in the West, 106,491 in the Midwest and 76,964 in the Northeast. 243,659 go to those who completed high school compared to 258,220 who did not. 64,992 go to families with incomes between \$0 and \$5000 a year. 154,925 go to income levels of \$5000-\$10000. 229,499 have incomes between \$10,000 and \$25,000. 51,300 of the jobs go to youth in families with collective incomes between \$25,000 and \$50,000. Only 1,099 jobs go to families with higher incomes than that. This reduces the amount of families living below the poverty line from 17.22% to 16.95%. The gini coefficient for family incomes falls from .5124 to .5119. P1 goes from .0909 to .0897. P2 goes from .068 to .067.

Allocation B is better targeted to the South, creating jobs for 12.10% of the families with disadvantaged unemployed youth. The west still gives 10.67% of the families jobs, while the northeast and midwest have 12.13% and 12.24% respectively. The gender average pay gap is reduced the same amount. 11.77% of the target group end up with a job after the jobs program is implemented. 8.86% of the Black target group is treated. 3.17% of the 0-5k income group get jobs, 22.3% of the 5-10k income group, 17.52% of the 10-25k group, and 45% of the 25-50k group. Plan A does better at employing women, while plan B employs more Black youth. Figure 2 shows what percentage of disadvantaged unemployed youth receive jobs from the two different plans.

The results of both plans A and B fail to target the most disadvantaged youth. By skimming from the young people who are most likely to be employed in the current system, the model for the bill does not address systemic problems in youth employment. Chronic lack of demand for “low-skill” jobs leaves young adults with few pathways for growth and access to the middle class. When implementing the bill, rather than focusing on creating jobs for young people that are close to being employed already, policymakers should focus on creating jobs for the most disadvantaged groups. This would be more effective at reducing inequality.

Two such plans are modeled that lead to more advantageous results. The above two probit models used the highest likelihood, meaning young adults who are similar to young adults already employed in the system are the ones who get the EYAN jobs. In some hypothetical implementations, EYAN would target youth who have little chance of being employed in the

current system. In this way we are bringing up the most disadvantaged youth by creating jobs for them that allow them to gain valuable skills while being paid. Plan C and plan D replicate plan A and B, but use the lowest likelihood to assign jobs rather than the highest likelihood. These 4 hypothetical scenarios then give a range of the possible outcomes of the bill based on different implementations. Since the bill mostly focuses on how the money is distributed and leaves it to states and localities to determine how it is spent, this range will give local policymakers target distributions they should aim for when creating the jobs.

Under plan C, 504,945 jobs are created. 370,571 would go to females, while 134,374 would go to men. 303,384 go to White people, 141,941 to Black, 13,204 to Native Americans, 45,136 to Asian and Pacific Islanders, and 1,280 other non-Hispanic races. 49,532 are in a non-metro area, 77,060 are not identifiable and the rest are in the metro area. 198,296 of the jobs are created in the South, 116,942 in the West, 110,761 in the Midwest and 78,946 in the Northeast. 308,694 go to those who completed high school compared to 196,251 who did not. 349,418 go to families with incomes between \$0 and \$5000 a year. 67,030 go to income levels of \$5000-\$10000. 79,918 have incomes between \$10,000 and \$25,000. 8,075 of the jobs go to youth in families with collective incomes between \$25,000 and \$50,000. Only 440 jobs go to families with higher incomes than that. This reduces the amount of families living below the poverty line from 17.22% to 17.18%. The gini coefficient for family incomes falls from .5124 to .5119. P1 goes from .0909 to .0894. P2 goes from .068 to .066.

Under plan D, 501,879 jobs are created. 371,643 would go to females, while 130,236 would go to men. 301,231 go to White people, 145,432 to Black, 10,856 to Native Americans, 43,055 to Asian and Pacific Islanders, and 1,305 other non-Hispanic races. 41,983 are in a non-metro area, 67,834 are not identifiable and the rest are in the metro area. 204,541 of the jobs are created in the South, 113,883 in the West, 106,491 in the Midwest and 76,964 in the Northeast. 302,759 go to those who completed high school compared to 199,120 who did not. 349,120 go to families with incomes between \$0 and \$5000 a year. 65,696 go to income levels of \$5000-\$10000. 79,311 have incomes between \$10,000 and \$25,000. 87,373 of the jobs go to youth in families with collective incomes between \$25,000 and \$50,000. Only 315 jobs go to families with higher incomes than that. This reduces the amount of families living below the

poverty line from 17.22% to 17.18%. The gini coefficient for family incomes falls from .5124 to .5119. P1 goes from .0909 to .0894. P2 goes from .068 to .066.

Note that official poverty numbers go down more in plans A and B, compared to C and D. This is because in these latter plans we target families who even with an EYAN job they stay below the poverty line. This is indicated by the comparatively lower P2 numbers in the C and D plans. We can also compare, in plans C and D over 17% of the 0-5k disadvantaged youth family income group receive jobs, compared to around 3% in the first two plans. If by implementing this bill we create jobs that are very similar to the current job market, as opposed to entry level jobs that anyone can enter, we are losing out on the maximum possible inequality benefits. Here I consider maximum benefits as helping the worst off, raising the very bottom of the income distribution.

Figure 2: percent of target population who receives jobs by demographic

	Total	Male	Female	White	Black	Asian
Plan A	11.85%	12.59%	11.43%	13.72%	8.54%	4.8%
Plan B	11.77%	12.59%	11.31%	13.59%	8.86%	4.68%
Plan C	11.85%	8.72%	13.62%	10.32%	15.44%	13.45%
Plan D	11.77%	8.45%	13.66%	10.25%	15.81%	12.83%

Source: ACS, author's calculations

Figure 3: percent of target population who receives jobs by income

	Total	0-5k	5-10k	10-25k	25-50k	50k+
Plan A	11.85%	3.57%	22.7%	17.18%	23.84%	43.10%
Plan B	11.77%	3.17%	22.3%	17.52%	25.72%	44.99%
Plan C	11.85%	17.04%	9.65%	6.10%	4.05%	18.01%
Plan D	11.77%	17.02%	9.46%	6.05%	3.69%	12.89%

Source: ACS, author's calculations

Conclusion

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