

# KUCINICH 2008

## Jobs Programs / Infrastructure

### Putting America Back to Work IN America

Our country is facing twin crises: high unemployment and a decrepit infrastructure. At the same time, millions of manufacturing and high-tech jobs are being shipped overseas. I have a plan that will turn our problems around and put Americans back to work in America.

By pulling out of NAFTA, we can return jobs that have been lost, including high-wage jobs in the information technology field. By initiating a WPA-style jobs program that puts Americans back to work rebuilding America, we can create millions of jobs and simultaneously improve our quality of life.

As a nation, we face a predicament of either buy American, or bye-bye America. Unless we cancel the WTO and pull out of NAFTA, corporations will continue to move jobs out of the country and produce goods in developing and third-world nations (with great costs to those countries' workers and environment). In order to buy American, we have to assure that goods are still being produced in America. That's why we must first cancel the WTO and pull out of NAFTA, which have lost us millions of jobs and spurred a soaring trade deficit.

I have a Jobs Plan that will put 2 million Americans back to work at a living wage in such enterprises as rebuilding schools, designing roads, refurbishing environmental projects, and manufacturing steel for water systems. The Kucinich jobs plan will also increase the quality of life in America, by making highways safer, water cleaner, and schools more conducive to learning.

Right now, unemployment stands at 6.2% nationally. Long-term unemployment has become a persistent problem. Nearly 2 million Americans have been looking for work unsuccessfully for over 6 months, while over 9 million Americans are unemployed. According to the Economic Policy Institute, there are three unemployed people for every job opening.

Ironically, at the same time so many Americans can't find work, there is so much work to do. The crisis of our decaying infrastructure is something we see every day when we sit in traffic bound by orange barrels that line our

highways. It is something that school children experience at their desks, crowded together under leaking roofs. In cities, municipal sewer systems overflow into rivers, streams, and estuaries. These events occur with increasing regularity as systems age. Infrastructure problems threaten our productivity, our economy, our environment, and our health.

It is time to put America back to work. It is time to address the twin crises by putting unemployed Americans to work rebuilding America's neglected infrastructure. The Kucinich plan will make that happen.

### The Kucinich Jobs Plan to Rebuild America

The Kucinich plan calls for the creation of a low-cost federal financing mechanism to administer \$50 billion in zero-interest loans every year to localities for infrastructure projects for ten years. Twenty percent of these funds would be targeted for school construction and repair.

The Kucinich plan also calls for a 15% reduction in the military budget, redirecting that \$65 billion towards hometown security issues such as education, jobs, and health care for all.

State and local governments would continue to issue bonds to finance infrastructure projects. But under the Kucinich plan, the federal government would be authorized to buy those bonds. States would have to repay the principal, but unlike normal municipal borrowing, these bonds would pay zero interest. So, the cost of borrowing for infrastructure improvement would be reduced by half.

The federal government would hold these bonds in the Federal Bank for Infrastructure Modernization (FBIM). The bank, as an extension of the Federal Financing Bank under the Treasury, would administer the loans. The loans would bear a small fee of one-quarter of one percent of the loan principal to cover the administrative costs of the FBIM. In order to provide the money for the loans, the FBIM would hold a portion of the Treasury securities that the Federal Reserve normally holds.

The Fed currently holds about \$300 billion in Treasury securities. Transferring about \$50 billion annually to the

*Put America Back to Work IN America.*

*Rebuild America.*

*Keep Jobs in America.*

FBIM would still allow the Fed to operate as it does now to add liquidity to the system. The Fed, instead of buying securities, would buy the mortgage loans of the states. This way, the FBIM's finances would be integrated by the Federal Open Market Committee so as not to disrupt its ability to promote economic stability.

This amount would be varied, so that the funds could be used as a tool to foster stable economic growth. During times of economic slowdown, the FBIM would make more loans available to spur investment. During times of economic boom, the FBIM would make fewer loans available.

All of the jobs within this new system would be living-wage jobs, because I would raise the minimum wage to at least \$8 an hour and create an index so that the minimum wage rises automatically with cost of living increases. If we establish both universal health care and universal pre-kindergarten, workers will no longer be plagued by the high costs of health care and child care. The net savings of these programs is enormous, and as result, I believe we will have a healthier society and a more resilient economy.

### **The Kucinich Plan to Keep Jobs in America**

The exodus of jobs from our shores and the "race to the bottom" for workers around the world is an obvious result of NAFTA and the WTO, both of which make it impossible to place taxes or tariffs on outsourced work. The search for countries where workers are unrepresented and environmental rules are lax must end. NAFTA, WTO, "Fast Track" legislation, and the Free Trade Area of the Americas must be rejected and replaced with Fair Trade policies in which bilateral trade agreements are negotiated to provide for living wages for workers and environmental safeguards. Canceling NAFTA and the WTO will enable the U.S. to protect high-tech jobs from outsourcing. This, plus careful monitoring of H-1B visa practices, will slow the tide of outsourcing.

The Bush Administration has embraced the concept of outsourcing American jobs overseas as a new form of international trade. Where is the patriotism in this? U.S. companies are expected to ship 200,000 jobs a year to India in the near future, in pursuit of lower wages, and we have already lost a significant fraction of our manufacturing jobs to countries overseas. In this continued loss of control over the development of our own technology and materials, and the continued loss of hundreds of thousands of American jobs, we are creating serious threats to our national and economic security.

I am advocating a new policy to replace our current H-1B and L-1 visas, a policy that does not put skilled American workers in the high-tech industry at risk. There are many tech-industry jobs that could be done by Americans who are out of work, and often the immigrants who come to our country on H-1B visas find themselves in indentured servitude situations.

We cannot continue to tolerate the loopholes and offshore profit shifting that corporations engage in to get out of paying their fair share of taxes. We must also take a much harder line on corporate crime, by increasing the roles of the FTC, the SEC, and the Justice Department in addressing it.

We live in strange times when patriotism merely extends to unnecessary wars and not to protecting the lives and welfare of American families by keeping jobs here. It is necessary to promote a new corporate responsibility and sense of shared commitment, so that the race to minimize wages for workers and maximize shareholder profits in already profitable businesses is considered unpatriotic and punishable by tax policy. We must reject Bush's efforts to transfer more and more wealth upward, by creating an intelligent tax structure that promotes the public good.

My entire mission is aimed at increasing the benefits to the public good. My campaigns are financed completely by ordinary individuals, not large corporations. I am not beholden to any corporate interests; there are no strings attached. My campaigns and my work represent all the people of our nation, not just the wealthy elite.