

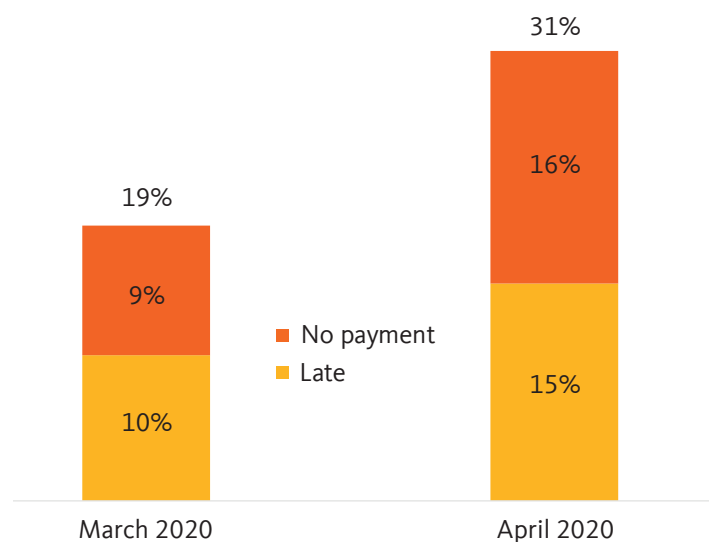


The emergency triggered by COVID-19 lays bare the structural failures of a country that operates with a [hierarchy of human worth](#) that devalues many workers and commodifies the most basic necessities, including health care, housing, and clean water. As businesses have closed their doors to follow stay-at-home orders, [more than 26 million people applied for unemployment](#) benefits in just over one month, completely erasing the job gains made since the Great Recession. At the same time, conservative congressional leaders have pushed hard to direct \$500 billion to corporate bailouts with little accountability, prioritizing profits over people.

Over the past few decades, worker power has been undermined while economic gains have been concentrated into fewer and fewer hands. While profits soared, wages remained the same and working conditions only got worse. [Since 1978](#), as productivity has risen dramatically, wages for workers have increased 12 percent while CEO compensation has grown 940 percent. For workers without college degrees, the last economic recovery produced fewer good jobs that enable upward mobility and more precarious, lower wage jobs with limited prospects for advancement. At the same time, the basic cost of living has been steadily rising. The average share of household budgets used to cover medical expenses and work-related expenses like childcare has climbed over the past several decades. And the share of renters who are housing burdened—spending more than 30 percent of income on housing costs—has increased dramatically since 2000.

### Renters are struggling amidst the COVID-19 crisis.

Share of renters who paid rent late or not at all



Source: [National Multifamily Housing Council](#).

Note: Data sourced from a survey of 11.5 million units of professionally managed apartment units.

While initial legislative survival packages included modest stimulus checks and unemployment benefits, economists and struggling people alike have pointed out the immediate need to get more cash into people's hands to stave off the crisis. Unless we put people first, the relief and recovery packages coming from Congress will only further concentrate wealth at the top and deepen inequities. In order to put people first, policymakers must:

- ✓ **Support essential frontline workers.**
- ✓ **Guarantee incomes.**
- ✓ **Freeze costs and protect people from losses.**
- ✓ **Prioritize people over corporations.**

## Support essential frontline workers

Essential frontline workers are critical to our response to the coronavirus. Health-care workers and hospital staff, warehouse stockers, grocery clerks, food service workers, delivery drivers, waste management workers, and many others are risking exposure to the virus to keep our country running and ensure the public has access to essential goods and services. They are putting their health—and the health of those around them—at risk. Many describe working longer hours without access to gloves, masks, or sanitizer to keep them safe. Major supermarkets are starting to [report](#) employee deaths. We need to require companies that are operating at this time to provide essential workers with the proper protective gear, testing, paid sick leave, increased pay, and safe, reliable, and affordable childcare to help them care for their families. We should not only address their immediate needs, but ensure policies going forward restructure the economy to better serve frontline workers, and [incentivize companies to do their part](#) in advancing racial equity.

## Guarantee incomes

Congress must prioritize replacing incomes lost and getting cash into people's hands. The federal government should temporarily cover the wages and salaries of impacted workers during the current economic shutdown. In California, Stockton's guaranteed income pilot has shown that residents use cash payments for important expenses, such as food, school activities for children, and housing. If distributed through employers, this would not only keep workers out of unemployment lines, but would help maintain employer-sponsored health benefits and cover business expenses including rent. Congress also needs to ensure that we are supporting the people most in need during this crisis by expanding the social safety net, including food stamps and unemployment insurance for anyone not kept on payroll. Such relief should not expire on a certain date, but when certain conditions are met, such as a low unemployment rate measured separately for each racial/ethnic group, to ensure that aggregate data is not masking an uneven recovery.

## Freeze costs and protect people from losses

To prevent household budgets from being crushed in the case of declining incomes, we need to stabilize costs. This means suspending debt collection of student loans, medical costs, and credit card payments with no interest, fines, or fees. Many jurisdictions have also passed needed eviction and foreclosure moratoriums, which is a critical step to protect people from loss. Rent cancellation is also necessary to ensure renters are not responsible for months of back rent, which would likely cause mass evictions at a later date. Lastly, we must also prevent utility shut-offs, as dependable, clean water is critical to public health, particularly as households must wash their hands more frequently to fight the coronavirus. All of these measures also serve as an economic stimulus strategy because lower income households are more likely to spend remaining income on needed purchases, boosting the economy.

## Prioritize people over corporations

During the last recession, corporations received massive bailouts while continuing with risky practices that undermine the strength of the economy. Private sector actors were also able to profit off of the crisis, exploiting marginalized people and making recovery more challenging. Congress has started down this path once again, creating a half-trillion dollar fund to bail out corporations impacted by the coronavirus. Congress must cease the corporate bailouts and create strong accountability measures and regulations for funds already directed toward these entities to support state and local recovery efforts, to ensure we don't further concentrate economic and political power at the top. Corporations are also using this moment as an excuse to exert pressure on elected leaders to roll back labor, health, and environmental standards to protect their bottom lines. These rollbacks put people's health and well-being at risk and should not be considered.

## Conclusion

For the nation to fully recover and prosper, leaders must enact new possibilities that serve as a bridge to a more equitable nation. We can only do this by prioritizing people over profits. Make your voice heard by contacting your local, state, and federal leaders and demand they take these actions and put people first. Stay connected to our work by visiting [policylink.org/covid19-and-race](https://policylink.org/covid19-and-race).



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