

THE SOCIAL JUSTICE COLUMN

On Deficit Hysteria and Vulnerable People

By Fadhel Kaboub, Denison University

Nearly four years have passed since the subprime economic crisis began in 2007. The economic and social consequences of the crisis have devastated working class communities all over the United States. Wall Street firms have recovered within a matter of months, thanks to government bailout money and creative accounting innovations that allowed them to report new profits and go back to record-high executive compensations and bonuses. The misguided government intervention has led to record-high deficits that have ignited a nationwide hysteria about the negative consequences of the deficit and the national debt. The short-term problem that we are facing right now is not too much government spending, but rather a misallocation of government resources and an unconditional Wall Street bailout policy. The short-term consequences of the deficit have put the most vulnerable members of society under unbearable stress due to the lack of funding for social services and subsidies to the poor.

The long-term consequences of today's deficit hysteria will have a tremendous negative impact on many retirement-age vulnerable members of society after 2032. The lack of foresight that has overshadowed the public policy debate at the federal as well as state and local government levels is pushing the United States into a spending cuts frenzy, aimed at balancing budgets and paying off government debt. This could potentially be the biggest mistake of our generation.

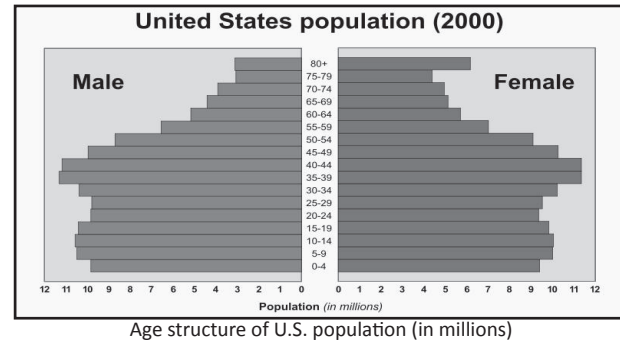
The U.S. workforce is going to experience a significant demographic change over the next 20 years. The pay-as-you-go social security system is structured in a way in which today's workers pay for today's retirees through a FICA tax, directed into the Social Security Trust Fund and invested in AAA-rated U.S. government bonds. In 1960, there were 5 workers per retiree, and with the post-WWI "baby-boomers" effect, this ratio has been steadily declining to 3 workers per retiree today, and is expected to reach 2 workers per retiree by 2032.

The only reason this decline has been manageable so far is because of increases in workers' productivity and technological innovations. This demographic change will inevitably present two significant problems; one of financing and one of provisioning. Unfortunately, only the former has gained so much attention by the general public when the latter should be of much more significant concern to all of us today.

Deficit hawks have been arguing for increasing the retirement age and reducing retirement benefits in order to solve the financing problem, contrary to the more progressive commentators who argue for increasing the social security taxable income to close the financing gap. Regardless of one's political inclination and tax-burden tolerance level, solving the financing problem will put vulnerable people at a greater disadvantage in the future and will not make the provisioning challenge go away. Ignoring the provisioning problem creates a shortage of goods and services which will lead to inflation when the more affluent members of society outbid the poor in a fierce competition for scarce medical services, prescription drugs, retirement homes, and elderly care services.

The only way society can offer a comfortable retirement to its elderly population is by making sure that the workforce of 2032 is as skilled and productive as possible, and has

access to the most up-to-date technological and logistical infrastructure, especially when it comes to medical services. The problem, however, is that such sophisticated workforce and can only be created if we invest in education, research and development, and public infrastructure today! This is exactly what we are not doing right now. Instead, we are slashing budgets for education and scientific research in the name of sound finance and fiscal responsibility. We can have all the money in the world in 2032, but it will not create a well-trained medical staff overnight, unless we recruit skilled workers away from other nations, which will shift the burden on the poorest countries who most desperately need their teachers, doctors, nurses, and engineers.



If we fail to make the right decisions today and give in to the deficit hysteria, we will be guaranteeing that our contemporary problems will be compounded many times over by 2032. It is the most vulnerable members of society that will end up suffering the most, namely the elderly, the poor, the homeless, the chronically unemployed, women, and ethnic minorities. The solutions are available to us today. We must reset our economic and social priorities to alleviate the suffering of the poor in the short term, and invest in science and education in order to avoid a catastrophe in the long run.

If we succeed in restoring economic justice by defeating the deficit hysteria, then we can lay the ground for social justice for all.

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VENDOR CLASSIFIEDS

Many of our vendors are seeking full-time and reliable employment. There's more to many of our vendors than meets the eye. To help match vendors with potential employers, we'll be featuring their skills here. Do you know of a job or gig that would help one of our vendors? Call our office to get in touch with a vendor if you see skills you could use, at (614) 228-1342 or email us at street.speech.columbus@gmail.com!

Vendor: William

Good communication skills; able to analyze data and other information; problem solver able to envision alternative solutions; creative with a sense of design; technically inclined; able to design custom widgets, themes, plug-ins and applications for mobile and desktop systems.

Vendor: Richard

Home-improvement work (both exterior and interior), landscaping and lawn care, demolition;. References available upon request.

Vendor: Mark

Home repairs, no job too small. Drywall installations and repair, carpentry, plumbing, landscaping, painting.

References available upon request. Contact the Coalition or call Mark at 614-625-7579.

Vendor: Victoria

Skilled at cleaning, cashiering, and data entry. Excellent people skills and positive attitude.

JUNE WORDS

S	N	O	I	T	A	U	D	A	R	G	P	J	J	Y	H	F	T	O	C
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| BIKING | GRADUATION | SCHOOLSOUT |
| BIRTHDAYS | GRILL | SUMMER |
| BRIDES | HIKINH | SUNBURN |
| BUGS | ICECREAM | SUNSCREEN |
| CAMP | LEMONADE | SUNTAN |
| FATHERSDAY | PARK | SWIMMING |
| FLAGDAY | PICNICS | VACATION |

Puzzle by William Crandell

VENDOR CODE OF CONDUCT

Sale of this paper is approved by the City of Columbus Licensing Department. Street Speech vendors are members of the Columbus Coalition for the Homeless and are trained and supervised by Coalition staff. Vendors agree to abide by the following Vendor Code of Conduct when selling the paper:

- Street Speech will be distributed for a donation of \$1. I agree not to ask for more than \$1 or solicit donations for any other purposes while selling Street Speech. If a customer donates more than \$1, I am permitted to keep the donation. I will be clear that the donation goes to me and not CCH.
- I will purchase papers only from the Columbus Coalition for the Homeless at \$0.25 per paper. I will not sell to or buy papers from other vendors.
- I will present my badge when buying papers and display while selling papers. If I do not have my badge, I cannot buy or sell papers.
- I understand that my badge is property of Street Speech and I will not deface it. If I lose my badge, I will purchase a new one for \$3. If my badge becomes ruined or weathered, I will purchase a new one for \$1.
- I agree to treat others-customers, staff, and other vendors-with respect. I will not use abusive or forceful language when selling papers. I will not be aggressive, threatening, or continue to ask after a person has said no.
- I agree to stay off of private property while selling Street Speech. I will not sell door to door.
- I will not sell any additional goods or products while selling Street Speech.
- I agree to respect the space of other vendors, particularly those who have been at a spot longer. If I encounter another vendor selling papers, I will move to another location before selling papers.
- I will not sell or purchase Street Speech under the influence of drugs or alcohol.
- I will attend monthly meetings at the Columbus Coalition for the Homeless the first Friday of every month. The next month's papers will be released at the meeting.
- It is my responsibility to police fellow vendors. I will report violators of these rules to CCH. The value of the paper depends on keeping it credible.
- I understand that any violation of these rules will result in suspension of my privilege to sell Street Speech and possible termination from the program. Badges and Street Speech papers are property of CCH and must be surrendered upon demand.

Please report any alleged violation of these rules to the Coalition by calling 228-1342 or emailing street.speech.columbus@gmail.com.