

Workshop Outline - Economics

- I. **Introductions & Ice-Breaker Activity** (ex. word association - when someone says “economics”, what’s the first thought to cross your mind?” 10 min.
- II. **Opening: Economics -- it’s about values!** 15 min. Based on the Just Economics curriculum.

Small Group Discussion Questions:

10-15 minutes in groups/ 10 minutes debrief

1. **What’s Fair.** Is the current system “fair” to all sectors of the early education workforce? Specifically considering wage inequities, what criteria could we use to determine a “fair” wage? What are the arguments you can imagine for and against these criteria?
 2. **Level Playing Field.** What would you say if someone said to you, “I’m opposed to using taxpayers money specifically to help women in low wage fields and people of color get a college education. Motivated people will find a way on their own; no one should get special treatment.”
 3. **Deserving/Undeserving.** What would you say if someone said to you, “You knew the wage when you took the job. If you want higher pay, go get a different job!”
 4. **Individual vs. Community.** What would you say to, “I shouldn’t have to pay taxes to improve child care and early education programs. I don’t even have any kids. That’s taking money out of my pocket, punishing me for my success.”
- III. **We need a public investment to fix the problem... an infusion of funds is the only way to fix the problem... Myth of Scarcity: There’s not enough money to fix the problem!**

Activity: Snapshot – 10 Chairs - 30 min.

- IV. **What drives the economy: Supply Side vs. Demand Side**
5 min.
- V. **Taxes: Raising money to be invested by the public and redistributing wealth up or down the income scale.**
Activity: 3 Families 30 min.

VI. Closure – include preview of Lifting the Lid

VALUES, ECONOMICS, AND CHILD CARE

GOAL: Open the day by inviting participants to get involved -- economics is about values and everyone has values. Set the tone for future discussion by outlining the values debates in child care policy.

TIME: 15 minutes

TECHNIQUE: Lecture/Discussion (invite participants to join in with questions)

MATERIALS: None

TEXT FOR TRAINERS:

OPENING

Our goal for today is to build a framework that helps you think about strategies for addressing the problems we face as child care providers, parents and concerned members of our community. Everyone in this room ultimately wants the same thing -- quality child care which is accessible to all who need it and living wages and decent benefits for all of the people who work in child care. But that doesn't mean we agree on everything. Today we want to provide one of those rare opportunities where we all get to come together, clarify our own thinking, see what others are thinking, and be able to move on together with a common understanding of the issues. We will do this through a series of small group discussions and exercises we call "live illustrations". We will touch on some of the key issues in the child care industry and give you an opportunity to ask yourself what it is exactly that you want and how you want to get there. Do the policies and solutions being put forward really do what we want them to? Do they reflect our values and experiences? This kind of thinking is going to be FUN! We are going to learn some things, feel our brains working and laugh a little along the way.

ECONOMICS AND VALUES

Talking about economics can be a little intimidating. What you hear is that economics is a math-based science, which you need a Ph.D. to understand. What you hear is that the economy is a scientific phenomenon -- interest rates rise, unemployment falls, -- its like the weather. I disagree, and you will too. **The economy is just the result of people like you and me buying, working, living. Its about our choices, which are based on our values.** Do we work only for \$\$ or also because it gives value and meaning to our lives? Do we care only about our own economic status or does it matter to us what is happening in the community around us? Both. Economic policy (by policy I mean the rules that we make as a society) -- is also about our values. For example, welfare reform law is economic policy. We didn't end up with welfare reform through a debate about science but rather a debate about beliefs -- do you believe people want to work and contribute or do you believe they must be forced to work? Do you believe society should provide for those who have fallen through the cracks in our economy or does helping them make

them lazy ? These are values questions. Your values are as good as the values of somebody with a Ph.D. and certainly as good as any politician. You have a right and all the expertise required to weigh in on these important social debates.

Most economic policy is built around some core beliefs -- or myths -- in our society. For example,

SCARCITY

Economics text books start with this premise: **Economics is all about dividing scarce resources.** Since there is not enough to go around, our society must decide who will get what they need and who will not. Is that really what its all about ? Is scarcity a fact of life ?

What we know is that in the US and elsewhere, children are growing up without proper care, without the best education...we know that every day in the US families are making the choice between paying rent and buying food. Is there a shortage of food in the world? No. There is lots of food but the system we have for distributing food means that some people starve. We know that low wages mean that child care workers must choose between working to take care of other people's children and making enough money to care for their own children. There isn't enough money, it seems, to pay child care workers a living wage. This is real. But, in the abstract, is there a shortage of money in this country ? No. Corporate profits are at an all time high, CEO salaries are in the stratosphere, new billionaires are made every year. The shortage comes in how we as a society distribute that \$\$\$. Scarcity is CREATED.

COMPETITION

Scarcity is good though (at least that's what we are supposed to think), because **competing for scarce resources is what makes us strong right ?** Competition creates quality right ? Sure that's true...at least sometimes. If I have a foot race with you (*indicate a person in the audience*), and we both try hard to win, we both get lots of exercise and have fun. That's competition at its best. **But competition creates winners and losers.** It requires losers. It may be acceptable to you to have Joe's company lose the competition with Mary's company for who can make the best soap. But is it OK to create a system where Joe's school competes with Mary's school for funding ? Does that make BOTH schools better ? What happens to the kids who have to attend the losing school ? On a global level, its popular these days to think of us as all competing with each other to get work. Winning means that our wages are the lowest, so we get the job. Huh ? You might wonder why having low wages is how we win the global competition. What kind of win is that ?

LEVEL PLAYING FIELD

Here is where the myths come in. Competition is OK, because of the "Level Playing Field". You know that right...**that in this world we have a level playing field, and everybody has the same opportunity to win** -- to get rich or become a doctor or whatever right ? Is that true ? **Of course not.** But because we say that there is a level

playing field, and competition brings out the best in us, we know that if you WIN, if you are succeeding in this economy you must be What ? What do people say about folks who have "won" a lot of money, good jobs, etc.? They must be smarter, harder working, the early bird got the worm...the cream rises to the top, and they are the cream of the cream right ? Conversely, what do people say about folks who have "lost" the economic competition ? If you are poor, what do people say about you ? You are lazy, you made your bed now you must lie in it, you must have done something really wrong or stupid, you sinned. People really say that stuff.

DESERVING AND UNDESERVING

You and I can sit here today and laugh at those ideas. But doesn't some of that thinking creep into your heart ? That's what internalized sexism, racism is. It happens that we believe that we deserve what we got, doesn't it ? **It's not just what people say to us, but what we say to ourselves.** And we have to struggle to overcome those inner voices as well as the outer ones. Some of the stuff they say...

- It's all about **hard work**. If you complain about inequality, you are just jealous. If you want it, all you have to do is get out and work for it. If you protest the unlevel playing field and point out injustice, that's just your own laziness -- you are just looking to get yourself a shortcut. The bottom line is, its your "personal responsibility". If you would just take responsibility, all your problems would evaporate. Have you heard this ?
- It's all about **nature**. Some folks are just brighter, more beautiful, better adapted, and they should win. It's survival of the fittest. As a woman, you have a "natural" God-given ability to take care of children, you don't need any support to do it well, and you should just be happy to be doing this work never mind the pay. People say that don't they ? And we say that to ourselves too sometimes, because that is what our culture has taught us to think.
- It's all about **fate**. This comes from every religion in the world. It's because of something you did in a past life, suffering gets you into heaven, god has a plan. We have to watch for these ideas that take our religion and our beliefs and twist them to keep us from demanding changes in the world.

INDIVIDUAL VS COMMUNITY

One of the ways beliefs come out in economic policy is when we define the goal -- **is the goal to have individuals succeed or is it more important to build healthy whole communities.** Like... "I shouldn't have to pay taxes for child care programs -- I don't have any kids, that's taking money out of my pocket...that's punishing me for my success." Versus "How we care for and educate our children effects us all, it builds our society, our workforce, our ability to live together -- its everybody's responsibility and everybody benefits."

FAIRNESS

Another belief is Fairness. **We all believe in fairness...but we don't all agree on what is fair.** You know, because you work with kids, how four and five year olds think they have this crystal clear picture of what fair is. That's not fair they say, and we often have

to say, well, its "complicated". It is complicated. For example, what is fair for pay ? Should people be paid what they need ? (She has two kids and I don't, so she should make more ?) Should they be paid based on how hard they work (She gets paid based on how many dresses she sews), Or based on merit ? (I have a degree, I come in early every day and you don't so I should make more than you ?). THIS ISSUE COMES UP ALL THE TIME IN CHILD CARE.

What is enough pay for child care workers?

- enough to get the **outcome** society most wants -- quality care (e.g. lower turnover etc.)
- enough to bring pay up to the level of pay in a "**comparable job**"? -- if so what comparable job ? Should child care workers make as much as other kinds of "woman's work" (like teacher, clerical worker...) or up to what a man makes with same education or what?
- enough to let the worker **live a decent life**...send their own children to school and child care, etc.? (this is sometimes called a **self sufficiency standard**)

We could also think of the child care worker as a **spender**. If she has money she will buy the car your brother makes or have your cousin paint her home. In this analysis, what you pay a child care worker is about what kind of community economic development you are after. If a child care worker doesn't have enough money to spend that constricts the economy of her entire community.

The question of who is deserving and what is fair plays out in child care policy. In many states folks are considering or have passed "retention grants" programs or "salary supplements". That's when the state or county pays child care workers directly an additional chunk of cash to adjust their wages UP above what "competition" and other forces have established. How we determine who deserves these grants ? We could say that doing the work is enough. But we don't. Should it be based on how much education you have ? On how long you stay at your job ? All these versions are being used. In North Carolina the grant is partly based on how much your county spends on education overall -- so counties with a good tax base might be giving grants of \$5000 where counties with a lousy tax base pay \$200 -- a system that, if you think about the economic development impact, perpetuates the poverty in each county.¹

TRANSITION:

So, clearly values are at the root of many of the economic debated about child care and child care policy. All of this that we've talked about is just to encourage you to keep your ears open for the ethical debates, the values debates as we go through the day. -- and keep your ears open too, because it's always important to monitor, how we internalize these messages in ways that limit what we ask for ourselves, what we fight for. Next...let's look at where our economy has brought us so far. What follows is a "snapshot" of our economy today.

¹ Rosemary Vardell, Center for the Child Care Workforce