Unemployment Inequality

Dylan Visbara  
*Coastal Carolina University*, dsvisbara@coastal.edu

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Unemployment and Inequality

The COVID-19 pandemic has an ongoing profound impact on employment in the US. Millions of Americans lost their jobs because of nationwide lockdowns stemming from the pandemic and applications for unemployment insurance skyrocketed. Many Americans were left in unfamiliar territory and navigating a system that was anything but friendly to them. Through Congressional action, Pandemic Unemployment Assistance (PUA) was put into effect. Relief was dispersed through stimulus checks and additional aid. As the world moves closer to coming out of the other side of the pandemic, it leaves many to wonder the true impact it had on the nature between workers and their employers. This work will delve into many topics, including COVID-19 related unemployment, public perception of unemployment, the role of policymakers, and reform of the system. These topics will be looked at through the lens of the United Nation’s (UN) Sustainable Development Goals (SDG’s). The main SDGs examined in this work are Goal 1-No Poverty,” goal number eight “Decent Work and Economic Growth,” and Goal 10- “Reduced Inequality.” These goals are important as they show the UN’s goals for a more sustainable future for the planet earth that ensures a better quality of life for all on the planet. Using the blueprint of the United Nation’s Sustainable Development Goals 1, 8, and 10, empirical data, interviews, and personal experience, this paper will look at the sustainability of the South Carolina Unemployment Insurance system and the impact it has on the users of the web site. This report will demonstrate that the system is deeply flawed, and significant changes need to be made to make it more accessible to the users of all levels of technical abilities,
socioeconomic status, and education level, these changes will allow greater access to benefits and potential employment opportunities for all who use the system.

The United Nations set forth a plan for a more sustainable world by the year 2030. This plan consists of seventeen goals. The SDG’s relevant to this paper are goal number one “No Poverty,” goal number eight “Decent Work and Economic Growth,” and goal number ten “Reduced Inequalities.” The first goal “No Poverty” is very straightforward, it seeks to eliminate poverty worldwide. This is done through a variety of means, but the task is to raise all global citizens above the line of abject poverty. The eighth goal is “Decent Work and Economic Growth.” This goal focuses on finding global all citizens fulfilling work that will give their lives meaning and good pay. Goal number Ten is all about reducing inequality in the world, this is done by recognizing and changing systems to reduce systemic inequality in the world. It is easy to see the connection between the three goals listed. Goal number one and goal number eight are connected because if everyone is gainfully employed then there is no poverty, and if there is no poverty partnered with economic growth will lead to sustainable cities and communities. These three goals work together along with the other fourteen goals set forth by the UN to build a better society for all in the world.

The data gathered for this work comes from a variety of sources, but it tells a very compelling story. That story shows after the beginning of the pandemic, as millions of people were laid off unemployment claims skyrocketed. In Georgetown County alone, unemployment claims reached about 550,000 people. Upon their learning of their unemployment these 550,000 people all went to the unemployment web site and began to file a claim. Upon filing their claims many people then proceeded to wait for the dispersal of funds. For many, it would be many weeks, to several months before they received their compensation. Some, for a variety of
reasons, never received any compensation. Personal experience at the SC Works One Stop shows that many of those who never received PUA are still trying to receive the money they applied for back in March 2020. This has escalated in the past week with the news that the Biden administration would be ending the PUA program at the end of June 2021. It is also worth noting that unemployment benefits must be accessed online. Without the use of a computer a claimant cannot access their benefits. It becomes even more problematic as many areas in Georgetown County do not have reliable internet access, especially in rural areas. Personal experience also shows that many people who apply for UI benefits are not savvy when it comes to technology, or the inner workings of the system. While directions are stated clearly on the web site, in many cases the print is small, and hard to read. It is also worth noting the system introduced a new method of identity verification, ID Me. ID Me is very reliant on technology, including facial recognition, requiring the use of a smartphone. During one experience, I worked with a woman without a smartphone, who was unable to apply for her benefits because she could not get past the barrier set forth by ID Me. I do not know if the woman was ever able to file for her benefits. The implications of this will be brought up later. The evidence presented clearly shows that UI claims are heavily digitized, and this could present problems.

To go along with the technological issues faced by claimants, there is also serious societal pressure, and stigma around claiming unemployment benefits. Many people who applied for benefits in 2020 filed for the first time. I was one of those people, and I was ashamed. I felt like a failure turning to the government for help, but I was not alone. Before the pandemic and my experience at SC Works, I believed that many people on unemployment were just lazy and living off money brought in by my tax dollars. I was also not alone in this assumption. This bias against those on unemployment is especially prevalent in Georgetown and South Carolina as a
whole. SC has been a Republican state for many years, leading to a heavily entrenched conservative mindset amongst the general population. This is stated, not as an attack on conservatism or the Republican party, only an observation of prevailing ideologies in the community and the state. These ideologies lean heavily towards a disdain of government intervention and assistance. The Republican Governor of South Carolina, Henry McMaster, often speaks about his views of unemployment and government assistance. During the pandemic he held multiple press conferences urging South Carolinians to go back to work and get off unemployment benefits. One press conference, Governor McMaster and Republican Senator Lindsey Graham stated that people would rather stay on unemployment than go back to work as they were earning more money while on government assistance. Senator Graham even went as far to enact federal legislation to curb these benefits.\(^1\) McMaster has gone on record calling the federal unemployment program a “road to socialism.”\(^2\) Policymakers like McMaster and Graham have a tremendous sway over public opinion and perception of concepts like unemployment, and by calling it “socialism” is a way to influence their conservative base against unemployment. These societal pressures create a harmful stigma around claiming unemployment and this directly affects people’s self-esteem and confidence. I have witnessed many first-time applicants at SC Works to show signs of sadness, anger, frustration, and some appear to be depressed. Not all who walk through the door exhibit these emotions, however many patrons do, and it must be noted. This affects the workers at SC works because agitated patrons are easily agitated and there were situations where patrons have resorted to physical violence. Situations like this are exceedingly rare, however they happen. Many other patrons who are easily agitated, resort to yelling and personal insults as an outlet to vent their frustrations. One patron even called me “useless” when I could not produce the results she desired. The frustration of the patrons is to be
expected and the underlying social and physiological conditions that contributes to this behavior cannot be ignored.

The biggest conclusion I am drawing from my research and experience at the SC Works building is that the Unemployment System is broken and in desperate need of repair. I came to this conclusion after witnessing the reactions of claimants and their difficulties in accessing the system, along with confusion on how to receive their benefits. There were also numerous cases in which people submitted the proper paperwork, however waited several weeks before ever seeing a dime of compensation. These people often visited us noticeably agitated and confrontational as they felt we were responsible for withholding their benefits. For many claimants, technological literacy was abysmally low. Every visitor I have interacted with required some form of assistance beyond the initial setup. Many of the older claimants were understandably confused when it came to computer operations, but it was not just the older patrons. Many middle-aged claimants also require assistance. The Unemployment system is exclusively online. Everything from filing a claim to job searches are done on the internet. In my experience this has worked to the detriment of less technologically inclined claimants who have a challenging time accessing and understanding technology. There have been several incidents where we have been unable to assist people because they do not have a smartphone or access to email.

What also needs to be considered is the decisions of policymakers, like Governor McMaster, have contributed to the confusion and the frustrations of the people. The ending of the Pandemic Unemployment Assistance (PUA) benefit changed things drastically. The center has received many calls about PUA benefits and how many people have exhausted their benefits. Governor McMaster and many other politicians have stated their disdain for the pandemic
unemployment benefits and stimulus checks. These politicians see the benefits as “socialism” and contributing to the laziness of the workforce. They see the abundance of jobs post-covid, as a direct outcome of people earning more money on unemployment benefits than they did at their old jobs before the pandemic. While the solution to this issue is being debated in the public discourse, people's lives are being upended by the changes enacted by those at the highest levels of power and office in this country.

The biggest conclusion drawn from my time at SC Works is the inherent flaws in the system surrounding the technological barriers to access. This practice runs the risk of discrimination as it creates an artificial barrier to prevent system access by those who need benefits most. While it is a fact that most people in the US have a smartphone, there are many in the Georgetown area who do not have one. This should not prevent them from accessing unemployment benefits, but it does. It seems nonsensical to require a smartphone to start filing for unemployment benefits, however the SC DEW requires it for those who are filing their first claim. The ID Me identification system was enacted as a contingency to prevent fraud coming from PUA. However, in doing so this enactment has unwittingly discriminated against a small demographic of society. While there are solutions available, they are not accessible to all, and it requires deep connections in DEW. This issue runs directly against SDG (Sustainable Development Goal) Ten, reduced inequality. This unequal access to benefits and lack of assistance to those who need it is deeply problematic.

Another conclusion I have come to is the inherent flaws in the Unemployment system. The biggest flaw is the lack of qualified help from DEW. When many claimants call the DEW phone number at 1-866-831-1724, they are met with and automated system that often refers them to the SC Works office, even though we do not have the access capacities to the UI system to
properly assist them. What this does in practice is send claimants in a roundabout cycle of dissatisfaction and frustration. This inability to find adequate help is frustrating to those who need assistance for issues surrounding their claims. These problems are not permanent barriers and can be overcome by persistence on behalf of the claimant. However, this raises the counterpoint questioning the measures were enacted in the first place. It can be inferred that the system was not designed with the intention to confuse, frustrate, and exclude claimants. However, this is the reality for many claimants daily. On average, behind the desk at SC Works I must refer five to ten claimants back to the claims office number for issues I did not have authorization to solve. Some of these issues must be chalked up to human error, but the problem is too abundant for every case to be human error.

In conclusion the UN’s SDG’s paint a blueprint for a more sustainable future for all humankind. For systemic changes to occur on the international level, change must first occur on the personal and local level. One local institution in drastic need of change is the South Carolina Unemployment Insurance system. This system is full of unintentional pitfalls and issues that prevent select users from accessing, and in some cases applying for, their benefits. These people are further hindered by a confusing phone system with long wait times and constant redirections to SC Works where they must then be redirected back due to lack of system access. These issues are directly opposed to SDG 10, reduced inequality, as the issue often provides increased hardship to those who do not need any more. The accommodations the state provides to remedy technological limitations are insufficient. Going forward changes must be made to ensure equitable access to the benefits system for all. When these issues are remedied then we will start moving towards a better future where people have equitable access to their unemployment insurance benefits.


