FINANCIAL SERVICES INNOVATION COALITION

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Policy For Good

Financial Services Innovation Coalition's (FSIC) Modern Economic Journal focuses on the policy changes that can ensure all communities have a chance to thrive in the modern economy

Through a combination of research, programming, and advocacy, we aim to bridge gaps, empower underserved groups, and create opportunities for inclusive growth. Join us as we explore actionable insights, innovative strategies, and collaborative efforts that pave the way for more equitable participation in today's dynamic economic landscape.

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A Break for American Families: How H.R. 2927 Brings Relief Where It's Needed Most

The All-Americans Tax Relief Act of 2025, also known as H.R. 2927, is a breath of fresh air for those who have been underwater, struggling simply to breach the surface. At a time when countless families are weighed down by rising costs, shrinking margins, and a tax system that rarely reflects their reality, this bill stands out for offering relief that is both meaningful and immediate.

Its most notable feature is the introduction of long-overdue "above-the-line" tax deductions for medical expenses, childcare, and tutoring. These are the costs that break household budgets—the expenses people cannot avoid but often cannot fully absorb. Allowing families to deduct them without complex itemization opens the door to closing the affordability gap in a practical, accessible way.

H.R. 2927 also takes a bold stance on supporting those raising children. By increasing the Child Tax Credit and making it fully refundable, the bill signals a clear recognition of something policymakers often overlook: children carry the nation's future. They embody legacy, stability, and long-term economic strength. Any country that intends to move forward responsibly must invest in the generations who will inherit the work, the debt, and the opportunities we leave behind.

As a certified public accountant who has done extensive work in Florida, I see this bill—brought forward by the Sunshine State—as a meaningful step toward policies that shine light rather than cast shadows. It reflects the real pressures felt by the people we advise, serve, and advocate for every day. It is not perfect, and it will not solve every burden families face, but it is an honest attempt to address the costs that are breaking them.

In an era where public policy often feels abstract or distant, H.R. 2927 offers something tangible: relief that families can feel and understand. Our hope is that its introduction sparks broader discussions, inspires further reforms, and reminds lawmakers that the measure of good policy is not ideological purity but the stability and dignity it brings to the people living with its consequences.

As always, our journal remains committed to amplifying ideas and policies that bring clarity, fairness, and opportunity to the economic lives of every American.

Letter from contributor:
By: Adaeze Amaram, CPA

Anti-Discrimination, Not Special Treatment

By: Martin Mason, Chair, FSIC NJ Policy Initiative
Owner, Rapid Runs Transportation
December 2025

For the last decade, policymakers have treated equity in public contracting as a matter of awareness, diversity commitments, and inclusion messaging. But the foundation we began with during the civil rights era was much clearer and much firmer: anti-discrimination. The principle was simple: government and large institutions had to prove that their decisions were not shaped byracial bias. The goal was fairness, not favors.

Today, we've drifted far from that standard. The conversation has been reframed around DEI initiatives, which are voluntary, narrative-driven, and ultimately unenforceable. DEI asks institutions to try.
Anti-discrimination requires them to prove fairness. Those two things are not the same, and the difference shows.

The State's own data makes the issue undeniable. According to the 2024 New Jersey Disparity Study, although racial and ethnic minorities represent close to 45% of New Jersey’s population, minority-owned businesses receive only about 3% of state contract dollars. That is troubling enough, but the disparity is most severe for African American businesses, which receive well under 1%, and in some categories, around one-tenth of one percent.These firms are available, qualified, and competitive; they are simply not being selected.

This is what happens when a state moves away from anti-discrimination enforcement and toward symbolic inclusion language. Theresult is a contracting system that operates as if fairness is optional, and the economic consequences are not abstract. Public contracts build wealth, sustain small businesses, and stabilize neighborhoods. When those dollars are systematically routed awayfrom communities of color, the state is reinforcing inequality with taxpayer funds.

The corrective path is not another round of DEI programming. It is a return to anti-discrimination as the governing standard. Public agencies should be required to show the basis of their contracting decisions. Bid scoring should be transparent. Waivers should be documented. When disparities appear, agencies should provide a clear, race-neutral explanation or correct the outcome.

That is not special treatment. That is the law. That is fairness. That is the unfinished work of civil rights.

The Economy Is Begging Santa for These Three Gifts. Will Wise Men Deliver Them?

By: Brady J. Buckner, Editor
December 2025

Federal deposit insurance was created to protect ordinary Americans from losing their savings, not to subsidize the wealthy and eliminate market discipline. Right now, fewer than one percent of accounts exceed the current $250,000 limit. We need policies that expand access to affordable credit, support minority-owned banks and CDFIs, provide technical assistance to new entrepreneurs, and invest in communities that have been systematically denied capital for generations.

Gift #1: A Fairer Distribution of Government Contracts
One of the most tangible levers of economic inclusion is the allocation of government procurement. Research shows that major firms, especially on the East and West coasts, receive a disproportionate share of federal contracting dollars. (Brookings)

> If delivered, these gifts would help the economy move from “**some people prosper, many don’t**” toward “**many people prosper, the whole economy grows.**”

When government primes and sub-contracts flow into under-represented communities, the wealth multiplier is higher: local firms hire locally, pay locally, and invest locally. One study states that awarding procurement contracts to smaller firms helps them accumulate assets and overcome financial constraints in the long run. (CEPR)

If the U.S. opened the gates more widely and evenly, so that more firms from more geographies and demographic groups got prime contracts, the economy would gain in two ways:

1. Under-leveraged talent and assets in overlooked communities would come into play.
2. The outcome would not only lift those communities but also strengthen national productivity by better utilizing resources that currently sit idle or underutilized.

Of course, there are trade-offs: shifting contracts may reduce awards to large incumbents and risk short-term efficiency losses. But the long-run gains in asset-building, community wealth, and, more broadly, shared growth suggest the net benefit is significant.

Gift #2: Investment in Human Capital and Innovation for Everyone
Beyond procurement, the economy needs a second gift: robust investment in human capital (education, training, lifelong skills) and innovation (R&D, technological adoption), accessible to all Americans.

Scholarship on inclusive prosperity emphasizes that unequal access to education, opportunity, and capital restricts growth. (NBER) The International Monetary Fund and others note that policies that expand access to quality education and training, deepen financial inclusion, and increase labor-force participation bolster both inclusion and growth. (IMF)

Why this matters: If large swaths of the population cannot access or adopt emerging technologies, the economy loses productivity, innovation slows, and growth stagnates. More inclusive human-capital and innovation policies raise the long-run growth rate, not just for a subset of Americans, but for all.
Examples of policy levers:

- Expanding training and reskilling programs for displaced workers.
- Encouraging R&D and technology diffusion beyond traditional hubs.
- Enhancing access to capital and networks for entrepreneurs in underserved geographies.

If delivered, this gift would help the economy move from “some people prosper, many don’t” toward “many people prosper, the whole economy grows.”

Gift #3: Infrastructure and Public Investment Anchoring Shared Growth
The third gift is large-scale investment in infrastructure, physical, digital, civic, and public goods that create the foundation for inclusive growth. Research on fiscal multipliers shows that government spending, particularly on infrastructure and regional investment, often has a multiplier well above 1. (Federal Reserve Bank of Richmond)

When infrastructure investments reach underserved regions, the benefits spread: improved connectivity, higher productivity, greater access to markets, and greater regional resilience. The "invisible civic infrastructure", regional institutions, governance, and networks also matter in enabling inclusive growth. (Brookings)

So, directing public investment to build shared infrastructure and underpinning regional dynamism is a gift that lifts all boats. It reduces bottlenecks, unlocks latent capacity, decentralizes opportunity, and mitigates the geographical biases in growth.

Will the Wise Men Deliver?
The three gifts described, (1) fair procurement distribution, (2) human-capital & innovation investment, (3) infrastructure-centered public investment, are not charity. They are investments in the economy's efficiency, inclusivity, and resilience.

Will policymakers, business leaders, and institutions deliver them? There are headwinds: existing contracts and networks have inertia; incumbent firms defend their advantage; shifting capital and effort takes political will. But the evidence is clear: inclusive growth is not at odds with growth; it supports it. (McKinsey & Company)

If we accept the premise that bias, or structural advantage concentrated in certain firms, regions, or demographics, constrains the economy, then delivering these gifts is both equitable and efficient.

If the economy could write a letter to Santa, it would ask:

- Let everyone who can compete get a fair shot at government contracting.
- Let all Americans access the tools of human capital and innovation.
- Let our shared infrastructure and civic institutions support growth broadly.

If those gifts are delivered, we don't just help the underserved. We raise the ceiling of the economy itself so every American has a stake and benefits.

The question remains: will the wise men of policy and business listen to that letter?

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Corporations Broke America's Workforce Pipeline - And They Still Want Us to Fix It for Them

By: FSIC Staff
December *2025*

Ford CEO Jim Farley recently sounded the alarm: Ford has 5,000 open mechanic jobs paying $120,000 that they supposedly "can't fill." He claims America is "in trouble" because we no longer have enough skilled workers willing to do the jobs that built the middle class.

He's half right. America is in trouble, but not because young people refuse to work. It's because corporations stopped doing the hard, expensive, long-term work of training their own people. They dismantled the very workforce pipelines that once produced the mechanics, technicians, electricians, welders, and tradespeople they now desperately need.

Executives complain about a "skills shortage," but the shortage is a crisis of their own making.

The Past: Corporations Built Their Own Workforce

Farley's own example proves it. His grandfather, employee 389 at Ford, didn't walk in the door already knowing how to service a Model T. Ford trained him, invested in him, and created a pathway that allowed him to build a middle-class life.

That was normal.

From the mid-20th century through the late 1980s, major U.S. companies ran large internal apprenticeship programs, pipelines that trained hundreds of thousands of workers annually.

National apprenticeship programs first formalized under the National Apprenticeship Act of 1937, and for decades corporations were core participants.

Apprenticeship numbers underline how different things used to be:

- By the 1940s, thousands of U.S. employers maintained registered training programs.
- In recent years, the U.S. has about 600,000 active apprentices in registered programs, strong growth, but the majority are publicly supported, not corporate-funded.
- Private, large-scale employer-run apprenticeship systems that once produced generations of skilled workers have shrunk dramatically.

Today's corporate strategy is simple: let taxpayers, community colleges, and individual families foot the education bill, then complain loudly when the public system can't meet their demand.

The Present: Executives Outsourced Responsibility

Farley says, "we do not have trade schools" and "we are not investing in educating the next generation."

But who is "we"?

America has thousands of trade programs, technical colleges, and certification pathways. Enrollment in vocational programs jumped 16% last year, the highest since 2018. Young people are showing up.

What's missing is corporations doing their part.

Ford alone has 5,000 vacancies that require five years of learning, according to Farley himself.

If it takes five years to train a mechanic… why isn't Ford training them?

Why aren't the largest employers in the country running massive internal pipelines like they did for generations? Because training cuts into quarterly earnings, executive bonuses, and shareholder returns.

So instead, leadership points to schools and young people and the public sector and says: "Fix this for us."

Corporate Loyalty: A One-Way Street
Another part of the problem is cultural. Corporations demand loyalty from workers but provide none in return.

The modern corporate rulebook goes something like this:

- “Work for us but figure out your own training.”
- “Give us loyalty, but don’t expect job security.”
- “Sacrifice nights, weekends, and vacations, but don’t expect reciprocal commitment.”
- “We value you… until we need to boost shareholder payouts. Then we’ll lay you off.”

This is not a partnership. It's a transaction dressed up as loyalty.

You cannot build long-term skilled labor pipelines when the underlying relationship is short-term and disposable.

The Destruction of the Union Training Model
For decades, unions helped guarantee consistent training, safe working conditions, and strong apprenticeship pipelines. They fought to ensure workers received structured development and fair wages.

Corporations didn’t like that balance of power. They spent decades lobbying for “right to work” laws, political interference, and regulatory changes that weakened unions, lowered bargaining power, and dismantled the systems that once ensured consistent, high-quality training.

Now that those safeguards are gone, there is no organized mechanism forcing corporations to invest in skill development. And once again, the executives blame the public.

The Real Crisis: Corporations Won’t Invest in People
Farley says, “We are in trouble in our country.” He’s right about that. But the trouble didn’t originate with workers; it came from the decades-long corporate refusal to invest in human capital.

America isn’t suffering because young people are lazy.

America isn’t suffering because trade schools vanished.

America is suffering because corporations stopped training Americans, stopped valuing loyalty, and stopped treating workers like long-term partners.

If companies want the workforce they claim to need, they must rebuild the systems they tore down:

- Fund real apprenticeship pipelines.
- Provide structured in-house training.
- Restore predictable career pathways.
- Reinstate reciprocal loyalty.
- Work with unions rather than trying to eliminate them.
- Treat workers as assets, not costs.

The workforce is not broken. Corporate priorities are.

Until that changes, America’s “worker shortage” will remain exactly what it is: a crisis manufactured in the boardroom, not the classroom.

FINANCIAL SERVICES INNOVATION COALITION (FSIC)

WHAT WE DO

Research & Policy

"Finding Solutions"

FSIC researches issues related to economic empowerment in underserved communities and develops solutions based on this research.

Programs

"Solutions in Action"

AIOF has created award winning programs in many rural and minority communities and has successfully impacted many individuals and families.

Advocacy

"Educating Policy Makers"

FSIC forms coalitions to advocate for legislation at the federal, state, and local levels, with the aim of reducing barriers and improving access to wealth building opportunities

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