

# Congress Fails to Agree on Extending Aid to Jobless Americans

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Region: [USA](#)

Theme: [Global Economy](#), [Poverty & Social Inequality](#)

*On Thursday, I emailed the information below to a retired physician/health and fitness expert friend I've known since the 1940s, explaining the following:*

Like earlier coronavirus outbreaks (SARS-Cov 2002-04, MERS 2012), SARS-Cov-2 hysteria will pass in time.

Of far greater concern is economic collapse that's ripping apart the fabric of US society — what I call thirdworldizing of the country that's been ongoing post-9/11, but began years earlier.

For 19 straight weeks, over a million Americans filed new claims for unemployment benefits.

Nothing remotely like this ever happened before here.

Tens of thousands of small, medium-sized, and some larger businesses closed down — many, maybe most, permanently.

Tens of millions of jobs were lost, many permanently.

A USA Today article said: "Almost half of all jobs lost (this year) may be gone permanently."

Real US unemployment is around 32% based on how the number was calculated pre-1990. The official 11% figure is fake.

What's going on is the stuff that economic nightmares are made of, things far worse now than during the Great Depression.

Then, FDR and Congress initiated an alphabet soup of jobs creation programs that put millions of unemployed Americans back to work.

No jobs creation programs were begun today, none planned.

The new Senate stimulus plan is woefully short of what's needed.

It includes no aid to cash-strapped state and local governments, no provision to prevent mass evictions of families out of work with no income to pay rent or service mortgages.

The US economy collapsed with woefully inadequate safety net protections for many millions of households.

Data show about 25% of small businesses closed this year, well over 100,000.

If what's going on happened when The Lendman group I was part of for over 30 years, we'd have been out of business permanently.

Before this year's economic unravelling, US census data showed around half of US households were impoverished or bordering it — members needing 2 or more jobs to survive.

In more "normal" times, most available jobs are rotten low-pay, poor or no-benefit ones because most of industrial America was offshored to China and other low-wage nations.

The Wall Street-owned Federal Reserve and Congress threw trillions of dollars at corporate America and the Pentagon.

Ordinary Americans got crumbs.

Things will likely worsen ahead because the US ruling class is indifferent toward the health, safety and welfare of the vast majority of Americans.

This is the dismal state of the nation today that establishment media don't explain.

The US I and others my age grew up in no longer exists.

On Thursday, another "2 million workers applied for unemployment insurance (UI) benefits," the Economic Policy Institute (EPI) explained — not the Department of Labor (DOL) reported 1.4 million fake news.

EPI explained that "1.2 million applied for regular state unemployment insurance (not seasonally adjusted), and 830,000 applied for Pandemic Unemployment Assistance (PUA)," adding:

Since March, weekly UI claims have been more than double "the worst week of the (2008-09) Great Recession."

Senate Republicans let UI benefits expire, wanting \$600 weekly to qualified individuals replaced by \$200, House Dems rejecting what's unacceptable.

EPI explained that elimination of \$400 in weekly UI will result in the equivalent of millions of lost jobs, less income and spending, and more dire economic conditions than already.

Reported Q II annualized GDP contraction of 32.9% far exceeded the severest quarterly economic collapse in US history.

It followed a Q I 5.0% contraction. EPI explained that given the severity of collapse, "it could take years of historically fast GDP growth just to return the (US) economy to the (pre-crisis) status quo."

Q II data "mask (troubling) intra-quarter trends (in) July" that showed "stalled" economic activity.

When July employment numbers are released on August 7, they'll likely show "flat

or...negative...changes.”

Large-scale financial aid is needed for unemployed Americans, as well as for severely cash-strapped state and local governments to prevent conditions from being more catastrophic than already.

Equally important is for Congress to enact large-scale jobs-creation programs to put unemployed Americans back to work.

When private enterprises are laying off large numbers of workers because of declining revenues and profits, it's the responsibility of the federal government to fill the void.

That's what New Deal initiatives were all about, putting millions of jobless Americans back to work.

Similar programs are needed today at a time when US economic conditions are more dire than ever before in the nation's history.

### **A Final Comment**

On Thursday, the Wall Street Journal reported that “congressional leaders and White House officials failed to agree on” extending benefits to the nation's unemployed and otherwise needy.

Talks will continue Friday, Republicans and Dems worlds apart on providing help to ordinary Americans in need, along with aid to state and local governments, as well as preventing mass evictions.

White House chief of staff Mark Meadow said both sides are “far apart.”

While compromise is likely ahead, whatever is agreed on will likely fall way short of what's needed for tens of millions of jobless Americans.

Jobs creation programs most likely will go unaddressed in a bipartisan package, what's essential to stimulate economic growth.

On Friday, the GOP-controlled Senate adjourned until Monday, leaving five days to resolve differences before a scheduled Senate recess begins after August 7.

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