

Mass Unemployment in America: The Jobs Crisis Demands Attention

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When the big banks screamed “crisis,” they were instantly rewarded with trillions of taxpayer money. Likewise, when rich bondholders — some of them bailout beneficiaries — yelled “crisis” at the U.S. debt, they were immediately rewarded with trillions of dollars taken from social programs for the poor. The jobs crisis, however, staggers on with no relief in sight. The recent troubles in the U.S. economy are forcing working people to reexamine their hopes for a recovery, as has been promised to them for years. They will not wait much longer.

Knowing that his 2012 election campaign is at stake, Obama plans to at least appear to be doing something. He’s not. He is, however, to begin a “listening” bus tour — in crucial electoral states — to hear about the plight of those suffering from the economy. After 4 plus years of mass unemployment you’d imagine that the Obama administration would have a massive, concrete plan to address the issue. He doesn’t. Here’s the plan according to Reuters:

“Obama wants Congress to extend the payroll tax cut and emergency unemployment benefits, due to expire at the end of this year, and says he will be talking about other ideas to lift the economy in coming weeks.” (August 3rd, 2011).

That’s it. Perhaps an especially tragic story on his bus tour will push him into action. It is extremely doubtful that even the above policies will materialize. So far, most of the “actions” taken to address the jobs crisis have dealt mainly with helping corporations make more money in the vain hope that they would use the cash piles to hire workers. They haven’t, even though they are sitting on record profits.

Corporations do not want to invest in the economy because they don’t believe they’ll profit from it, meaning they know that consumers are broke and cannot afford their products anymore. This is the same reason why banks are not loaning to businesses or individuals; the banks don’t think they’ll be paid back.

It is Depression Economics 101 that says: when the private sector refuses to invest in the economy, the government must do so. Instead, on a national and state-by-state level we have both Democrats and Republicans drastically cutting spending, which automatically kills more jobs by bringing in less revenue, in a never-ending cycle.

Breaking this cycle becomes all the more crucial when one considers the international

economy, which adds nothing positive to the equation. The European Union does not seem likely to recover from its numerous calamities, while Japan and Switzerland have followed Belarus and Vietnam in devaluing their currencies in a desperate attempt to boost their exports (many countries have accused the U.S. of devaluation because of the Federal Reserve Quantitative Easing program). These moves are likely to produce reactions from other countries battling for room on the international market; global market cooperation is heading toward increased conflict, which will worsen an already tattered world economy.

In short, working people cannot simply wait for salvation from either Obama or abroad. They must act independently. The lack of action thus far has much to do with the leaders of working class organizations, many of whom are diehard Obama believers, refusing to look reality in the eye. Their criticism of the Democrats is thus blunted, their demands watered down, their demonstrations small and half hearted. Will this change as Obama begins his 2012 electoral campaign? Will labor and community leaders have the strength to challenge the do-nothing President?

Some clues are evident in a recent statement by the AFL-CIO:

“The American labor movement, together with our community partners and allies, is committed to changing the national debate from the right wing’s destructive focus on deficits, budget cuts and austerity measures — which undermine workers’ rights, living standards and communities — to a clear focus on the creation of good jobs that ensure workers’ rights, support families and build strong communities.”

The statement goes on to call for a Labor Day demonstration followed by a national week of action in early October. Many in the labor movement are arguing for the inclusion of massive demonstrations across the country on Saturday, October 1. This is good, but there are important omissions, too. There is no mention of the Democrats in the statement; all blame for the current jobs crisis is pointed at the Republicans. Also, the demand for jobs is vague, meaning that the Democrats could once again put forth one of their corporate-first job creation bills and the labor movement would be forced to half-swallow the crap in a “it’s better than nothing” way.

The labor movement must demand a massive, federal public works program, at the expense of the wealthy and corporations. Anything short of this cannot address the severity of the jobs crisis; anything short of this cannot inspire working people to take the necessary mass action to force the government into action.

The labor movement will be judged not only by what demands it puts forward, but how much energy it exerts in organizing the Labor Day demonstration and the October week of action. And if these are successful, will the top officials of the AFL-CIO allow that energy to be funneled into Obama’s re-election, which would guarantee to strangle the movement? Time will tell. But to the millions upon millions of working people in America suffering from unemployment, underemployment, or poor paying jobs, time is a luxury they cannot afford.

<http://www.reuters.com/article/2011/08/03/usa-obama-tour-idUSN1E7721NX20110803>
<http://www.aflcio.org/aboutus/thisistheaficio/ecouncil/ec08032011d.cfm>

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