

Output vs. Employment: America's Disappearing Jobs

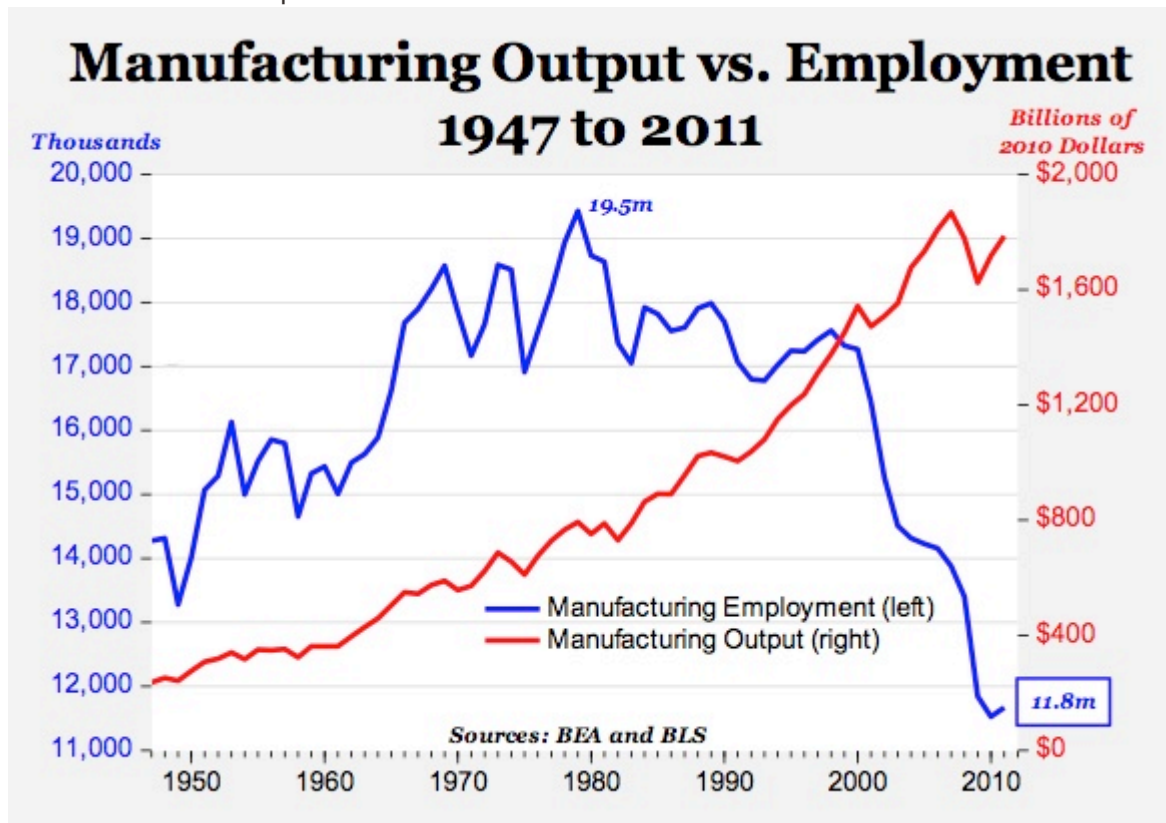
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After his State of the Union, President Obama took a jobs tour to call for growth in the manufacturing base where only 6% of US jobs exist. This was a charade. It would be like a president touring horse, buggy and blacksmiths in search of jobs when Henry Ford was mass producing cars.

Real [manufacturing output today](#) is near an all-time high. What's dropped precipitously in recent decades is manufacturing employment.

The technology of automation and robotics is ending manufacturing jobs. The president was on a [quest for jobs](#) where none exist, will not exist and should not exist. The US with 4% of the world's population is responsible for 20% of manufacturing output. More manufacturing is not coming to the United States. - See more at: <http://www.globalresearch.ca/output-vs-employment-americas-disappearing-jobs/5324614#sthash.WuAZAUmP.dpuf>



Both the president and Mitt Romney embraced the tar sands and pipelines as job sources, but they bring a false promise with devastating consequences for the environment and economy. It will take [only 20 people](#) to run the notorious Keystone XL pipeline once it is completed and estimates vary widely as to how many temporary jobs it will create from

2,500 to 20,000. That is not many jobs. The project is [bad for the economy](#); it will increase the likelihood of climate change, continues to rely on the old carbon market that is cutting jobs and misses an opportunity to build a new sustainable energy economy that will create jobs.

Other policies inadvertently create lousy jobs and underemployment. The [Affordable Care Act](#) is having that effect as employers seek to evade the health insurance requirements by reducing workers hours primarily in retail, food and university sectors. If the US had adopted a single payer Medicare for all system, a [2009 study](#) found it would have created a net 2.2 million jobs.

As we have [noted previously](#), austerity will destroy jobs and send the economy into recession. The [most recent study on the sequester shows up to 2.14 million jobs at risk](#). And, with [two-thirds of the Progressive Caucus refusing to sign a letter](#) to protect Social Security and Medicare from cuts, a “[Grand Bargain](#)” solution to the sequester could make things even worse. This all [comes on top of a rapid decline in government spending](#) that is preventing economic recovery.

The lack of concern for US workers can be found in a report this week that [40% of Americans](#) now earn less than the 1968 minimum wage. If the minimum wage had kept up with productivity, it would be \$16.50 not \$7.25. In fact, half the population of the US has [slipped into poverty](#) or is barely making enough to get by.

While Americans sink into poverty and underemployment with [shrinking incomes](#), the government continues to reward big business interests. Bloomberg editors last week criticized the fact that [taxpayers provide banks with subsidies](#) amounting to \$83 billion each year.

David Cay Johnston, a top tax and finance policy expert, [reports](#) that tax havens for the wealthy cost states \$38 billion annually. Another tax haven sham involving billions of dollars highlighted last week is [reinsurance in Bermuda](#). Send your money to the reinsurance company and it sends almost all of it back, cleansing the money of tax consequences.

So, what should the US be doing about disappearing jobs?

John Walsh suggests that Americans should be mobilizing for a [shorter work week](#) with no cut in pay. He urges “32 hours work for 40 hours pay. For a work force of 139 million as in 2010, that translates into 34.8 million additional jobs, i.e., 25% more jobs.”

Not only should there be no reduction in income, but the [minimum wage should be raised](#). This would boost the economy and create jobs.

Clean energy advocates urge building a [sustainable clean energy economy](#) noting that the solar industry creates jobs six times faster than the overall job market and a clean energy economy could create millions of jobs without the environmental risks of tar sands, [fracking](#) or [nuclear energy](#).

As we point out above, a single payer Medicare for all health system would create 2.6 million jobs, netting 2.2 million after the insurance industry lost jobs.

And, getting money back into the system by closing corporate tax loopholes, like some of the tax havens described here as well as putting a small [tax on Wall Street's speculative transactions](#), would raise \$1 trillion per year as is being done [in Europe](#). This money could be used to fund much needed programs such as building a new energy infrastructure, hiring teachers and other state and local workers while at the same time reducing the wealth divide.

This review of the week's news contains just a few suggestions consistent with [the agenda of It's Our Economy](#). Think of the side effects: more leisure time, less poverty, a cleaner environment, health care for all, a shrinking wealth divide and less speculation on Wall Street. As we have noted before creating jobs has [many positive side effects](#), yet [neither party](#) has put forward a serious jobs program or mentions a full employment economy.

That's why it is up to us to democratize the economy and push for real solutions to our crises. The first step is awareness of the possibilities. Please forward this email to others who might be interested. And visit the [website](#) for information about the upcoming Participatory Budgeting and Public Banking Conferences. Mark your calendars for the Democracy Convention Aug. 7 to 11 in Madison, WI.

This article is based on the weekly free newsletter of It's Our Economy. You can [sign up to receive the newsletter here](#).

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