Obama “town hall” meetings in California

No answers for joblessness, austerity

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Recent weeks have seen a marked acceleration of the state of California’s economic woes. The state’s official unemployment rate increased to 10.5 percent in February, the highest recorded in 26 years. Separate teams of University of California economists recently predicted that the rate will rise to as much as 15 percent by spring 2010, even though monies received from the federal stimulus package were included in the projection.

The state's deteriorating employment outlook was also a significant factor in a March 13 announcement by the state legislative analyst office, which stated the state faces an additional $8 billion shortfall through fiscal year 2009-2010. The announcement came a mere three weeks after the state legislature passed a budget including nearly $20 billion in spending cuts and regressive tax and fee increases (See "California legislature passes massive austerity budget").

These severe austerity measures, first proposed by Governor Arnold Schwarzenegger in collusion with the leadership of the state Democratic Party, were meant to address the then $42 billion budget shortfall. The original figure was based on an expected unemployment rate of 9.1 percent and was revised after recent unemployment figures were made known. There is now every reason to expect that the state's budget outlook will continue to deteriorate as unemployment rises to levels not seen since the Great Depression.

Last week, President Obama visited California and held two public meetings in Costa Mesa and Los Angeles before an audience of hundreds of people who asked a range of questions dealing with the state and national economic crisis.

Friday's town hall meeting in Los Angeles was introduced by Governor Arnold Schwarzenegger, "one of the great innovators of state government," according to Obama and "an outstanding partner with our administration." This is a man who has decimated social services depended upon by millions of Californians and thrown into jeopardy the education of future generations.

It soon became evident that these meetings were merely a public relations stunt orchestrated by the Obama administration to feign outrage at Wall Street's theft of public funds while convincing the public that more of their money was necessary to bail out the banks and rescue the US financial system.

Regarding the wretched state of the economy in California, Obama was forced to say, "I don't need to tell you these are challenging times. I don't need to tell you this because you're living it every day. One out of every 10 Californians is out of work right now. You've got one of the highest foreclosure rates in the nation. Budget cuts are threatening the jobs of thousands of teachers across this state."

Having acknowledged this reality, Obama proceeded to offer nothing but empty platitudes for California workers.

A teacher from Santa Ana who received a pink slip from her school district told Obama, "Our class sizes are between 36 and 44. This is normal. I've been in the district for over 25 years. I have seen what our kids can do when someone cares. The Teacher of the Year also received a pink slip." She asked, "How are we going to make sure that money comes to our districts that need it the most, the urban districts?"

While Obama stated, "we've got to provide better teacher training," he went on to add, "I think that it is important for us to make sure that we have assessments that everybody can agree—because ultimately we've got to know that our kids are meeting high standards." In

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other words, unnecessary standardized testing will remain on the budget, teachers will not.

The president also appealed to economic nationalism when he explained, "We can't afford our kids to be mediocre at a time when they're competing against kids in China and kids in India who are actually in school about a month longer than our kids."

As opposed to the president's comments, which were largely disingenuous, the remarks made by audience members reflected a genuine sense of anger and anxiety about the current economic crisis. One rather poignant comment was made at the Los Angeles meeting by eight-year-old Ethan Lopez, who said, "President Obama, our school is in big trouble because of budget cuts. Twenty-five of our teachers have already been fired." He then showed the president a stack of letters he and his classmates had signed to help keep their teachers working. More than 8,000 teachers and educational staff in Los Angeles County received pink slips on March 16, the majority not expected to return to work next September.

Obama answered by quickly, claiming that the so-called America Reinvestment and Recovery Act would "give more money to the state to keep teachers in their jobs." In reality, the stimulus funds will not reach California's school districts in time to rescind the tens of thousands of pink slips sent out to teachers. The $4.8 billion in state stabilization funds set aside for California would be largely absorbed to pay for the additional $8 billion decline in revenues estimated since Gov. Schwarzenegger's budget was passed last month.

One of Obama's more feeble responses was given to a man who said, "Last October I lost my job after 13 years. I was laid off. Now when I look for a job, people tell me that I have a felony from 20 years ago—I can't get any work. I have a family to support. What do I do?"

Obama made a series of unserious proposals about investing in construction and infrastructure, as well as "clean energy," before getting back to the man's question. He told him, "In the meantime the most that I can do is to make sure that you've got unemployment insurance that you can rely on, that you've got COBRA that you can rely on, that your family is able to get some support during these difficult times, and then to try to get these jobs created as quickly as possible."

Obama asked the man what job he had, and he replied that he worked in the auto industry for Toyota. This became just another opportunity for the president to mention how he supports "clean, fuel-efficient" cars and plans on spending $15 billion a year for clean-energy auto technology. He made no mention of the struggle that millions are facing trying to find a job, or the wave of layoffs hitting autoworkers in the US and elsewhere.

One woman asked, "Since American taxpayers have had to bail out a lot of large banks—Citibank, etc.—and they don't feel they've gotten any benefit for themselves, do you support caps on interest rates that the same companies we have bailed out with our money can charge regular consumers on credit cards? Because it's up to 30 and 40 percent."

Obama could only muster vague support for the idea before adding, "Generally speaking, if you're just running up your credit card and you don't think that there's a bill to be paid, you've got problems. So all of us, I think, have to be more thoughtful about how we use them, and ultimately we've got to take responsibility if we are going on shopping sprees that we can't afford."

In explaining why the large banks are receiving hundreds of billions worth of public funds for running their institutions into the ground, Obama said, "Here's the problem. It's almost like they've got—they got a bomb strapped to them and they've got their hand on the trigger. You don't want them to blow up, but you got to kind of talk them—ease that finger off the trigger."

In other words, CitiCorp, Bank of America, and Wells Fargo are essentially acting like suicide bombers threatening the world financial system with calamity. Whether or not the president was aware of it, his comments underscored who really runs the country.

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