

Unemployed in Michigan

“There’s just nothing here—everybody is fighting for the same jobs”

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Reporters from the *World Socialist Web Site* traveled earlier this week to the Michigan unemployment office in Livonia, a suburb of Detroit. The unemployed people we interviewed all told common stories. Many face plummeting home values and the prospect of foreclosure. Others were looking for a way to get out of Michigan. Workers complained of the abusive manner in which they had been laid off, and the difficulty they encountered claiming their unemployment benefits.

Jason Darke, a former construction worker, told us, "I can't find a job—not even pizza delivery. Every time I see an ad—when I go, there are at least 10 people waiting ahead of me. I used to install tires on construction equipment like front-loaders. A lot of my work was on construction projects.

"I thought I was doing well, but then I lost the job I had held for 11 years. I had to take a job where I had to travel 45 miles each way. It was costing me \$350 a week in gas; I couldn't afford it. I was let go unfairly. I have been waiting for my unemployment for over a year. You can't believe the red tape you go through. You can't get hold of anyone over the phone. It's constantly busy."

Detroit, once the auto manufacturing capital of the world, is now the poorest large city in the US. Michigan has an unemployment rate of 11.2 percent, the highest in the country. The state has one the 10 highest foreclosure rates in the country. Detroit properties often fail to sell at auction for \$1, are regularly abandoned, squatted in, and accidentally burned down as people burn scrap wood for heat.

The unemployment center we visited is located in Livonia, a suburb about 20 miles northwest of the city

center. Many of the workers we spoke to had originally lived in Detroit, but moved out of the city as jobs dried up.

Mary, a waitress at the diner adjacent to the unemployment center, said she used to live in Detroit, but moved out to Livonia to find work. "There's really nothing here," she said. "I just really want to get away from Michigan, but I can't. My house isn't worth what I paid for it, and I can't sell it under these conditions. I had a chance to move out a few years ago, but now I'm stuck here."

Jessica, a laid-off computer programmer who we met outside the unemployment center, said, "Both my husband and I, who is also a programmer, lost our jobs. We tried to lower our mortgage payment, but the bank said it couldn't do that unless we showed proof of income. So now we'll probably have to foreclose. I don't know how long we can hold out, but you can't argue with the bank."

An unemployed nurse told us, "I have been trying to get work since December. I still have not been able to get anything yet. A lot of hospitals just are not hiring anymore. I have still not received any unemployment benefits. The system tells me that everything is accepted, but I never get the money."

Since most Michigan jobless file for benefits online, the workers passing through the unemployment center were there to resolve problems with their claims. Many people we spoke to said that companies were intentionally trying to obstruct their claims in order to avoid paying their half of unemployment insurance.

John Demarco, an accountant, said he was fighting with his former employer for unemployment benefits.

His employer claims that John was intentionally underperforming to get fired and collect unemployment. "They test every employee to see who they can try to deny unemployment to," he said.

"I wasn't told anything before I got laid off. I just got called into a meeting, and they told me I didn't have a job any more. Their claims are absurd; I brought in four times my salary. The company I used to work for consulted other firms on how to cut benefits. That's part of my case.

"If I don't find a job, I might have to move out of state; that's what everybody else is doing.

"I come from a working class family, and a lot of my friends work for the auto companies. Many of them are unemployed too. Those who are still working are getting reduced pay and benefits. I have friends who work at Delphi and have had their pay cut in half after the new contract."

Vincent Drake found himself in the same situation as John Demarco. He used to work as a salesman at Pfizer. After retiring, he got a job passing out free samples at Costco. Club Demonstration Services, the company contracted by Costco for temporary workers, is disputing his unemployment claim.

Vincent told us, "They treat workers like they're nothing. We have little old ladies and disabled people working there, and they act like the workers are completely expendable. Nobody's there to protect us.

"They let the company lawyers give the charges over the phone instead of appearing in person. If you ask me, companies try to draw out the process as long as they can, hoping you get killed or maimed in the meantime. I guess it's easier to pay 60 lawyers to sit in an office and dispute unemployment claims than it is to actually pay workers who have been laid off."

We met Aslam Shaik while he was coming to check on the status of his unemployment payments. He was an information technology manager at Lear—the auto parts maker—before losing his job. "Nineteen ninety-nine through 2009 was a very bad decade for all the workers in the auto industry," he said. "Of all the workers that Lear had 10 years ago, maybe 20 percent are left."

Dennis Cronk, a former electrician at General Motors,

came to the unemployment center to correct a payment error. He was laid off from the Warren transmission plant, together with almost 300 other workers. He was told his plant would close by 2012, and another 700 to 800 people will lose their jobs. He has been an electrician for 18 years, and had worked at GM for seven.

"My house is in foreclosure," Dennis said. "When I bought it, I paid \$165,000. Now it's worth \$110,000. I'm a single parent with three children. I've completely wiped out my 401(k) and my savings are depleted. I have nowhere to go.

"Over the past few decades, pay for executives has increased three or four hundred times; ours has gone down. What happens if you halve an executive's pay? He's still a millionaire. You could do it again and again and he'd still be rich. What happens when you halve a worker's pay? He can't afford his house. And when a lot of workers can't afford their houses, you have a problem."



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