

# Obama announces fraudulent “jobs” summit

Jerry White  
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Under increasing criticism over his inaction to address the mounting jobs crisis, President Obama announced Thursday that he would hold a White House forum on jobs and economic growth in December.

The president made it clear, however, that the event, which will bring together corporate CEOs, economists and trade union functionaries, will be little more than a photo op, aimed at countering growing anger against his administration’s indifference towards the depression-like conditions facing millions of workers.

The US jobless rate jumped to 10.2 percent last month and economists expect double-digit unemployment to last years. Job losses have occurred over 22 consecutive months, the longest stretch since the government began keeping records in 1939.

In the face of this disaster, Obama has rejected any government-funded jobs programs to hire the unemployed and has offered no serious relief to those losing their incomes, homes and health care.

Obama made his comments at the White House before leaving for a trip to Asia. Appearing bothered that he had been forced to talk about unemployment yet again, he spoke for a total of three minutes, took no questions and quickly left the room. A report on the White House web site noted the president had “taken a moment to speak on the economy.”

Obama began by claiming that he had taken “a number of bold steps to break the back of the recession” over the last 10 months. These measures, he claimed, helped “stabilize the financial system, revive lending to small businesses and families, and prevent responsible homeowners from losing their homes.”

Indeed, the administration has provided unlimited resources to stabilize “the financial system,” i.e., the bankers who are responsible for the financial collapse. But this has had nothing to do with a revival of lending, let alone slowing the wave of foreclosures and personal bankruptcies. On the contrary, the big banks have used the public funds to extend their grip over the financial system, hand out billions in bonuses and resume the same type of reckless speculation that produced the economic catastrophe.

Obama then declared that the Recovery Act had “created and saved more than a million jobs”—a claim that has been exposed as a wild exaggeration. And even if it were the case, the number pales in comparison with the more than 3.5 million jobs that have been lost since the stimulus package was approved last February.

The president went on to claim that the economy was growing for the first time in more than a year and pointed to the month-to-month job loss figures—190,000 in October compared to 219,000 in September—as a sign of improvement. He then repeated his explanation that “hiring often takes time to catch up to economic growth”—a cold comfort for the 25 million workers who are currently unemployed or underemployed.

The president made it clear his administration would take no serious measures to create jobs or provide relief to the unemployed, and reiterated that his administration would do nothing to interfere with the operation of the capitalist market. “We all know that there are limits to what government can and should do, even during such difficult times,” he continued. “But we have an obligation to consider every additional, responsible step that we can take to encourage and accelerate job creation in this country. And that’s why, in December, we’ll be holding a forum at the White

House on jobs and economic growth.”

He then defined what he meant by “responsible steps.” “It’s important we don’t make any ill-considered decisions—even with the best intentions—particularly at a time when our resources are so limited.”

To his backers in the corporate and financial establishment, reference to “responsible steps” that take into account “limited” resources is a clear statement that there will be no federal jobs programs or additional stimulus measures. Proposals discussed in December will focus primarily on various tax cuts for corporations.

When it comes to providing jobs and securing the livelihoods of the working class, Obama insists that “our resources are so limited.” No such concerns were expressed when it came to the bailout of Wall Street, which has received trillions in taxpayer money, nor in relation to the hundreds of billions spent to carry out the war in the Middle East and Central Asia.

In reality, the administration is pursuing a deliberate policy of high unemployment and reducing workers to a state of perpetual insecurity. The constant threat of job losses is being used to force workers to accept a drastic and permanent reduction in their living standards and a sharp increase in exploitation. US corporations have already seen a nearly 10 percent increase in productivity this year, as they force fewer and fewer workers to produce more and more.

Obama alluded to the broader aims of American capitalism when he explained his plans to meet with Asian leaders to discuss a “strategy for growth that is both balanced and broadly shared.” This was a strategy, he said, “in which Asian and Pacific markets are open to our exports—and one in which prosperity around the world is no longer as dependent on American consumption and borrowing, but rather more on American innovation and products.”

In other words, American workers must accept a harsh reduction in consumption as credit is reduced, homes are lost, social programs slashed and they are

forced to live on much less. At the same time, the labor cost gap with Third World countries must be closed so the US can be transformed into a cheap labor platform to send US exports around the world.

This is the administration’s plan for “economic recovery.”



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