

White House holds photo-op “jobs summit”

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The Obama administration is holding a summit on jobs and economic growth today, bringing together 130 corporate executives, economists, academics and union officials.

The event, along with a planned “Main Street Tour” by the president, is aimed at deflecting growing criticism that he has done nothing to address the jobs crisis, which has consigned 26 million workers to joblessness or reduced hours of work.

The summit is being held on the eve of the Labor Department’s report on November unemployment, which is expected to show another jump in the official jobless rate. Earlier this week, the business consulting firm ADP released a survey of employers showing that another 169,000 jobs were lost in November, making it the 23rd consecutive month in which payrolls declined, the longest stretch since the Great Depression.

Economists predict double-digit unemployment will last throughout 2010 and possibly for years thereafter. In the face of this disaster, Obama has repeated his mantra that employment is a “lagging indicator” of an otherwise “recovering” economy. He has made it clear that he will take no measures, such as a government public works program, which would increase the federal deficit. Instead, job creation must be entirely subordinated to the capitalist market and the profitability US corporations and investors.

White House officials, the *New York Times* noted this week, have “signaled that Mr. Obama’s willingness to back any expensive new government programs is limited.” The newspaper continued: “One official said Mr. Obama’s announcement of the jobs forum was ‘carefully crafted’ to emphasize that generally the ‘government has done what it can. It’s time to hear from the private sector about what it’s going to do.’”

In fact, the government has done next to nothing. The stimulus package passed last February produced a derisory number of jobs. Even if the White House’s exaggerated figures are taken at face value, the 600,000 to

1.6 million jobs “created or saved” by the stimulus bill are a drop in the bucket compared to the more than 7 million jobs lost since the recession began.

According to reports, the administration is considering further corporate tax cuts and pro-business incentives, including tax credits for hiring new employees and a tax holiday. In addition, the summit participants will reportedly discuss “green” jobs, boosting small business employment, government infrastructure spending, fostering the growth of US exports, business competitiveness and workforce development and training.

None of this will have any significant impact on the worst jobs crisis since the 1930s. One summit participant, economist and *New York Times* columnist Paul Krugman, acknowledged, “Most of the people that I talk to are cynical about the event, and expect the administration to offer no more than symbolic gestures.”

The make-up of the summit underscores the class and social interests which the Obama administration serves. Attendees include some of the wealthiest corporate executives in America, whose fortunes have grown as the living standards of the working class have plummeted.

A list of some of the corporate CEOs attending the summit and their total compensation packages for 2008 is illuminating. They include:

- Randall Stephenson, CEO of AT&T—\$15,784,831
- Bob Iger, CEO of Walt Disney—\$51,229,341 (up 78 percent from 2007)
- Surya Mahapatra, CEO of Quest Diagnostics—\$11,322,335
- Frederick Smith, CEO of FedEx—\$10,434,589
- Brian Roberts, CEO of Comcast—\$26,240,363
- Eric Schmidt, CEO of Google—\$508,764
- W. James McNerney, CEO of Boeing—\$16,626,254
- Andrew Liveris, CEO of Dow Chemical—\$15,704,585

None of these gentlemen has the slightest interest in guaranteeing good-paying jobs for workers. On the contrary, with the full backing of the Obama administration, they are basing their companies’ profits on cutting jobs and using mass unemployment to force

workers to accept lower wages and benefits as well as speedup.

In an effort to “balance” the corporate character of the jobs summit, the White House also invited leaders of several unions, including AFL-CIO President Richard Trumka, Steelworkers President Leo Gerard, American Federation of Teachers President Randi Weingarten, and Anne Burger, chair of the Change to Win union federation.

These officials do not represent the working class. On the contrary, they have long collaborated with the employers and the government to suppress rank-and-file opposition and impose the dictates of big business. In the name of boosting the competitiveness of US corporations against their international rivals, the AFL-CIO and Change to Win functionaries have all embraced Obama’s health care plan, which will slash benefits for union members and cut funding for Medicare.

In announcing the summit before leaving on his Asian trip last month, Obama said, “It’s important that we don’t make any ill-considered decisions—even with the best intentions—particularly at a time when our resources are so limited.”

Jennifer Psaki, a White House spokeswoman, said of today’s event: “There are limits to what government can and should do, even during such difficult times.”

This is from an administration that has emptied the public treasury to pay off the bad gambling debts of the financial elite. The Wall Street bailout is largely responsible for the increase in the budget deficit from \$455 billion to \$1.4 trillion over the last two years. As a result, the big banks and international investors are expected by 2019 to reap \$700 billion a year in annual interest and fees to service the national debt, up from \$202 billion this year.

Drawing its top economic advisors from Wall Street firms like Goldman Sachs and Citigroup, the White House has pursued a single-minded policy of augmenting the wealth and power of the financial elite and making the working class pay for it. The administration has already made it clear that the theme of Obama’s State of the Union address in January and the next budget will be fiscal austerity.

Concerns over “limited resources” have not stopped the Obama administration from setting aside another \$30 billion—or \$1 million per year per soldier—to send an additional 30,000 troops to Afghanistan, bringing the total cost of the wars in Iraq and Afghanistan past the \$1 trillion mark. This latter sum is enough to hire 10 million

workers at an annual salary of \$100,000 each.

The decision on how society’s resources are to be allocated is a question of which class holds political power. If workers are to prevent their descent into destitution, they must organize themselves as a political force, independently of and against the Obama administration and the two parties of big business, and fight to take political power into their own hands.

Unemployment is the result of a failed economic system—capitalism—that will put people to work only if the corporate and financial elite can extract a sufficiently high profit from their labor.

If employment is to be guaranteed to all, a new principle must guide economic life. The satisfaction of human needs must take precedence over the private accumulation of wealth by the super-rich.

There is no lack of tasks that must be carried out to improve society—or the workers willing and able to carry them out. According to a recent report, 1.7 million construction workers have lost their jobs since January 2007, and there are presently 25 unemployed construction workers for every job opening in the field.

The first step to guaranteeing a good-paying job and economic security is the launching of a multi-trillion-dollar public works program to hire unemployed workers to rebuild the country’s crumbling infrastructure, cities and industrial base. This must be part of a socialist program to reorganize economic life based on meeting human needs, not corporate profit.



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