

## Resolution of Conference on Social Crisis &amp; War

# For an emergency jobs program! For the nationalization of the banks and the redistribution of wealth!

20 April 2010

*This resolution on the social crisis and unemployment was passed unanimously at the SEP Emergency Conference on the Social Crisis & War, held April 17-18 in Ann Arbor, Michigan. Further resolutions and articles on the conference will be posted in the coming days. (See, “SEP Emergency Conference advances strategy for struggle against social crisis and war”).*

Conditions for the majority of the population in the US are dire and getting worse. Mass unemployment is the most urgent social issue facing the working class. Some 20 million working people in the US are either unemployed or underemployed. Of those who are officially unemployed, 44 percent have been without a job for more than six months, the highest percentage since the Great Depression.

Real wages have fallen 3.1 percent since the Wall Street crash of September 2008. Poverty, homelessness and hunger are all on the rise, with 40 million people living below the official US poverty line of \$22,000 for a family of four.

Nearly 3 million American families were in some form of foreclosure proceeding last year, with 871,000 homes actually repossessed by lenders. The number losing their homes is expected to increase even further this year. The “American dream” of home ownership is being transformed into the nightmare of subprime lending, “underwater” mortgages, foreclosures and evictions.

The claims by the White House, echoed by the media, that an economic “recovery” is underway only demonstrate the class basis of the Obama

administration. There is a recovery for the financial aristocracy only, not for the working class.

Stock prices have risen rapidly from their lows of a year ago. Bank profits have soared. Corporate profits are on the rise, fueled by aggressive job-cutting, wage-cutting and a drive for speed-up that has boosted productivity by nearly 6 percent a year, slashing work hours far more than production levels.

The incomes of the super-rich have returned to their pre-crash levels, with 25 hedge fund operators taking in \$25 billion in income in 2009—an average of \$1 billion each. On the basis of a 40-hour workweek, this comes to \$481,000 an hour. Each of these hedge fund billionaires made in four minutes what the average American worker earns in an entire working year.

The Obama administration’s response to the jobs crisis combines indifference towards the plight of workers with subservience to the corporate elite. Administration representatives describe unemployment as a “lagging indicator,” not a social emergency. Obama himself has repeatedly rejected calls for direct job creation through the government, insisting his job is to “help the private sector create jobs.”

The class nature of this administration is best demonstrated by the disparity between the resources used to bail out the banks and safeguard the fortunes of the super-rich and the pathetic sums allocated to stimulate job creation. Some \$23.7 trillion in loans, guarantees and direct cash handouts from the US Treasury and the Federal Reserve were made available to Wall Street, more than one thousand times the \$15 billion in the most recent “jobs” bill, and even that is mainly tax cuts for corporations.

While Obama hails the private sector as the engine of economic growth, the private sector in the United States actually employs fewer people than it did 10 years ago. The past decade was the first since the Great Depression to experience zero job growth. This is a demonstration of the complete failure of the capitalist system to meet the needs of working people.

This conference calls for an emergency program of public works to provide every unemployed worker with a good-paying job within six months. Trillions of dollars must be made available to rebuild the decaying social infrastructure, including schools, hospitals, public housing, roads, water and sewage systems and other public facilities.

This program of job creation should be combined with measures to alleviate the hardships brought on by the world capitalist crisis, including an end to foreclosures, evictions and utility shutoffs, an increase in the minimum wage to \$20 an hour, and a reduction in the workweek to 30 hours at 40 hours' pay.

The claim that there is “no money” to provide for the needs of the population should be rejected with contempt. The trillions expended on war and the bailout of the wealthy must be redirected to meet social needs. The fantastic wealth accumulated by the corporate and financial elite—often through fraud and criminality—must be reclaimed.

Above all, the subordination of economic life to the capitalist principle of private profit must be abolished. The major banks and corporations must be transformed into public utilities, democratically controlled by the population in the interest of social need.



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