

Obama celebrates jobless “recovery”

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The Obama administration has launched a public relations campaign entitled “summer of recovery,” kicked off by Vice President Joe Biden at the White House Thursday, followed by a presidential appearance Friday at a construction site in Columbus, Ohio.

The purpose of this public relations exercise is to mask the dismal reality of mass unemployment and protracted economic stagnation, and to justify a turn to austerity policies and budget-cutting.

The “recovery” campaign coincides with the decision of the US Senate to block the extension of unemployment benefits for millions of workers, with a faction of Senate Democrats using the claimed “recovery” to justify the termination of extended benefits.

The number of unemployed workers losing benefits because of the Senate inaction will hit 1.2 million by the end of this week. An even more dramatic consequence would be the impact on state governments if the bill is not passed by June 30, the last day of the fiscal year for most of the 50 states. As many as 900,000 state government workers could face layoff under emergency measures that would be taken as a result of failure to enact the \$24 billion in aid to state-run Medicaid programs.

According to the Department of Labor, nearly 7 million workers have been unemployed for more than six months. Millions have been out of work continuously for more than two years—a phenomenon virtually without precedent in the United States since the Great Depression of the 1930s. Foreclosures threaten 5.7 million families. Credit card delinquencies have jumped by 60 percent since 2005.

Young people face a future of long-term joblessness punctuated by short periods of low-paid and insecure labor. A survey conducted by the National Association of Colleges and Employers found that only 24.4 percent of 2010 graduates had secured a job before graduation,

up only slightly from the 19.7 percent for the class of 2009. More than 60 percent of college students are graduating without having received a single job offer.

In their claims of “recovery,” Obama and Biden demonstrate that they are as distant from the real conditions of life for working people as their Republican counterparts. They may mock Republican Congressman Joe Barton for his abject apology to BP, but they are no less subservient to corporate America and the profit system as a whole.

Biden cited figures showing smaller monthly job losses compared to January 2009, when he and Obama took office, and an increase in Gross Domestic Product, boasting “this growth is going to be sustained at that 3 percent-plus range for the indefinite future.” Even if this scenario were to play out—highly unlikely amidst growing signs of a renewed downturn—GDP growth of 3 percent is barely sufficient to provide jobs for new entrants to the work force. It condemns the 17 million now unemployed or underemployed to joblessness “for the indefinite future.”

The vice president boasted of the number of construction projects launched under the stimulus bill enacted by Congress 16 months ago. “Last summer, we started improving just shy of 10,000 miles of highway in this country,” he said. “This summer, we’ll start and ultimately improve 30,000 additional miles.”

This is an insignificant figure. According to a report Sunday in the *New York Times*, the Works Progress Administration (WPA), one of the major federal agencies created by Franklin Roosevelt’s New Deal policies, built from scratch or improved 650,000 miles of road—more than 20 times the scale of the present administration’s program, which will expire this fall.

The contrast with the New Deal is even more glaring, given that the WPA and other New Deal agencies like the Civilian Conservation Corps and the Public Works Administration created jobs directly, by hiring the

unemployed and the putting them to work on projects to build or maintain the public infrastructure of roads, bridges, dams, buildings and parks.

The Obama-Biden program provides money to state governments to pay private contractors, a process that is both slow and cumbersome, and ensures that the lion's share of the federal stimulus money has gone into the coffers of private business.

Biden frankly admitted that the goal of the stimulus program was to boost business profits, declaring, "the only engine that's going to bring us back to total health is the free enterprise system and the American—free enterprise system and the business community."

Obama's trip to Columbus the next day was typically perfunctory for a president who can scarcely conceal his indifference to the mass suffering generated by more than two years of economic slump. He spent a grand total of 75 minutes on the ground in Ohio, and about the same length of time traveling to and from the state aboard Air Force One.

The president then devoted his Saturday Internet and radio address to the topic of unemployment, blaming Republican opposition in the US Senate for blocking passage of an extension of jobless benefits for the long-term unemployed. The bill would also have provided \$24 billion in aid to state governments. "If this obstruction continues, unemployed Americans will see their benefits stop," Obama said. "Teachers and firefighters will lose their jobs."

Passage was blocked by procedural votes on Wednesday and Thursday, but in both cases a group of conservative Democrats joined with the unanimous Republican opposition to provide the final margin. Obama said nothing about these Democratic senators, 12 on the first vote, two on the second, who helped block the extension of unemployment benefits.

Senator Claire McCaskill, a Democrat from Missouri who sided with the Republicans in the first procedural vote, warned that extended benefits might become a new "entitlement," and thus cut across the administration's proposals for "entitlement reform"—slashing Social Security and Medicare benefits to reduce the federal deficit.

The Senate did take action Friday on a six-month extension of increased reimbursements to doctors who treat Medicare payments, which had been part of the larger bill. It passed easily as a separate measure, after

the White House agreed to offset the \$6.4 billion cost with cuts in other programs.

The legislative maneuvers and finger-pointing between the Democrats and Republicans cannot disguise the fact that neither of the two big business parties has any solution to the social catastrophe of permanent mass unemployment. Both parties agree that the private sector is to be the only source of "job creation." In other words, the living standards of working people are being held hostage to the profit drive of the capitalist class.

The Socialist Equality Party rejects this perspective and calls on working people and young people to fight for an emergency program to provide full employment, regardless of the profit requirements of the giant corporations and banks. We demand:

- * An immediate program of public works to rebuild the crumbling infrastructure and provide jobs for every unemployed worker within six months

- * Outlaw plant closures and mass layoffs

- * Establish a 30-hour week at 40 hours pay

- * The nationalization of the banks and major corporations, under the public ownership and democratic control of the working class

- * Provide trillions of dollars to expand education, healthcare and other needed public services.

Such a program can only be carried out through the independent political mobilization of the working class, in opposition to the Democrats and Republicans, and on the basis of socialist program.

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