

US Congress allows extended jobless benefits to expire

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Just hours after Obama pledged to work more closely with Republicans in slashing social spending, the US Congress Tuesday allowed extended unemployment benefits to expire for workers laid off for more than 26 weeks. More than 800,000 workers currently receiving extended benefits will be cut off by the end of next week, with the number increasing to two million by the end of December and five million by April.

The entire political establishment has responded to this impending social disaster with complete indifference. Washington is currently consumed with reaching a bipartisan compromise centered primarily on extending tax cuts for the rich.

Of the 15 million workers officially counted as unemployed, 41 percent have been without work for 26 weeks, according to the Labor Department. Due to the high levels of unemployment, 37 states have until now offered federally funded extensions for up to 99 weeks. The benefits pay an average of \$302.90 a week.

The cutoff of unemployment checks will remove the only source of income to working class families already facing crushing financial burdens. An estimated two to four million Americans have already exhausted their benefits, with over 90,000 claimants joining their ranks every week. Those losing their jobs now will only qualify for six months of benefits no matter how long they are without a job.

A last minute pro forma effort by Senate Finance Chairman Max Baucus (Democrat-Montana) to extend benefits for another year was predictably defeated as he failed to win a unanimous consent vote in the upper house. Two weeks ago the House of Representatives voted against the continuation of benefits for another three months.

During the summer, Republicans held up the bill for nearly two months, leaving millions without income.

Benefits were restored after the Democratic-controlled Congress agreed to additional tax cuts and eliminated the \$25-a-week additional compensation that had been available for jobless workers since February 2009.

With the benefits set to expire, President Obama emerged from a White House meeting with Congressional leaders from both parties Tuesday pledging to work more closely with the Republicans. Their agenda would include “deep budget cuts” that, the president said, would require “broad sacrifice” from the American people.

Obama said the meeting, the first with Republican leaders since the rout of the Democrats in the mid-term elections, would be the beginning of a series of meetings with Republicans to “confront long-term deficits that cloud our future” and insure the “safety and security” of the population, i.e., slash social spending, while increasing militarism and attacks on democratic rights in the name of the “war on terrorism.”

The mid-term elections, the president said, showed that voters did not want “gridlock” in Washington but cooperation and bipartisanship in making the “difficult choices.” Held one day after announcing a two-year pay freeze for 2.1 million federal government employees—a key demand of the Republicans—the meeting was a further sign that the administration is moving even further to the right, both domestically and in foreign policy, in the aftermath of the mid-term elections.

The Democrats’ debacle in the November elections—the result of popular disenchantment over his administration’s refusal to provide any relief to tens of millions suffering from the economic crisis—is being used to justify an agenda that even more nakedly serves the interests of the Wall Street banks and the wealthy

elite.

While expressing tactical differences with Republican demands for a permanent extension of the Bush era tax cuts for those making over \$250,000 a year—on the grounds that it was “unwise” to do so while demanding the population accept brutal austerity—Obama made it clear a deal was in the works to extend the tax cuts for the rich, at least for the next few years.

Noting that there was “common ground” between both parties, the president said he was appointing Treasury Secretary Timothy Geithner and Jacob Lew, head of the Office of Management and Budget, to work with leaders from both parties “to break through this logjam” before the end of the year when the tax cuts were scheduled to expire.

The *Washington Post* reported that numerous Senate sources said the Republicans could be given the “across-the-board tax-cut extension that they are seeking, albeit in temporary form, in exchange for a Senate vote on the [START] arms control treaty, a top priority for Obama.”

Republican leaders praised the president with House Minority Whip Eric Cantor saying he was encouraged by Obama’s acknowledgement that he had “not reached out enough to Republicans” in his first two years in office. Senate Minority Leader Mitch McConnell said he believed divided government could be productive, using the example of President Clinton’s gutting of federal welfare benefits after the Republicans’ 1994 election sweep.

While the president said the American people could not afford partisan bickering that blocked slashing the budget deficit, he made no condemnation of the Republicans for throwing millions of unemployed workers into destitution. Instead, he touched on the fact that benefits were expiring at the end of his comments about his meeting with Republican leaders, noting that he “asked them to extend emergency compensation without delay”—a request they promptly rejected.

In fact, whatever his verbal protestations, the cutoff of jobless benefits is entirely in line with Obama’s overall cost-cutting agenda.

Senator Dick Durbin (Democrat-Illinois) said on Sunday that unemployment benefits might be included in a future package reauthorizing the tax cuts for the rich, while Senator Robert Casey (Democrat-Pennsylvania) said negotiations to restore benefits

could last for weeks, if not months.

In Nevada, which has the nation’s highest unemployment rate, 10,600 people will stop getting benefits by mid-December and a total of 65,000 over the next few months, according to Fox News. In New York State, more than 200,000 are slated to lose extended benefits, according to WNYC. In California, 454,000 could lose their benefits.

Social service providers are predicting a sharp increase in homelessness and demands for food as Christmas approaches.

In Louisville, Kentucky, the local CBS News affiliate reported that anger erupted at an unemployment office and at least two people were escorted out. “With the threat of benefits expiring for 100,000 Kentuckians,” WLKY reported, “tempers are flaring.”

Last month state officials in Indiana assigned armed security guards at 36 unemployment offices around the state. Department of Workforce Development spokesman Marc Lotter told the local media, “Given the upcoming expiration of the federal extensions and the increased stress on some of the unemployed, we thought added security would provide an extra level of protection for our employees and clients.”



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