

Obama, Congress cut jobless benefits:

The socialist response to the jobs crisis

Of Phyllis Scherrer, SEP candidate for vice president
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The following statement was released by Phyllis Scherrer, the Socialist Equality Party's candidate for vice president in the 2012 US elections. For more information on the SEP campaign, visit socialequality.com.

Democrats and Republicans in the US Congress have reached an agreement to slash unemployment benefits for hundreds of thousands of Americans, amidst the worst jobs crisis in generations.

The deal, which is expected to pass the House and Senate on Friday and be quickly signed by president Obama, would cut the maximum number of weeks of unemployment from 99 to 63 weeks for most states. In states with the highest levels of unemployment, benefits would be limited to 73 weeks.

States would also be allowed to place punitive and degrading conditions on unemployment, including drug tests and stricter regulations to prove eligibility. These are all designed to push people off benefits and into absolute destitution.

On top of these cuts, the supposed extension of benefits (beyond the 26-week minimum for all states) is to be paid for through attacks on federal worker pensions. Other measures in the agreement, including an extension of the payroll tax cut and preserving the current rate of Medicare reimbursement for doctors, will be paid for through cutbacks to hospitals throughout the country.

This agreement exposes the fact that both the Democratic and Republican Parties are ruthless defenders of the corporate and financial elite. After bailing out the banks and ensuring the wealth of the hedge fund managers, Obama is now overseeing an attack on every program that benefits working people. The big business politicians have been seeking an

opportunity to cut unemployment benefits and have been working behind the scenes to create the conditions for doing so.

The claim of politicians in Washington, parroted by the mass media, that the cutoff in benefits is justified by the economic "recovery" is a complete fraud. The decline in the official unemployment rate is due largely to the fact that millions of people have given up looking for work, and therefore are no longer considered unemployed. As a result, the number of people in the labor force is actually lower today than it was at the official end of the recession in June 2009, despite the continued growth of the working-age population.

Long-term unemployment remains at its highest level since the Great Depression. Millions of people have already exhausted their 99 weeks of benefits, or have been cut off because states have reduced the duration of benefits on their own.

The jobs crisis is a global crisis. According to a report late last year from the International Labour Organization, 80 million jobs would have to be added in the next two years just to reach pre-crisis levels. Yet far from improving, the world economy is entering a new downturn, as drastic austerity measures are imposed on workers in Greece and other European countries.

Millions of people want to work but cannot find a job. At the same time, there is so much that needs to be done to rebuild the country. Our schools and infrastructure are crumbling. In some cities, streetlights are being shut off and roads closed down for a supposed lack of funds.

It is capitalism that is responsible for these disastrous conditions! Under this economic system, the rights of the working class are subordinate to the profit interests

of the giant banks and corporations. Such basic necessities as education and transportation are not considered sufficiently profitable for the corporate elite that controls the economy and dictates government policy.

For decades, the financial aristocracy has pursued a policy of deindustrialization in the US. Vast sums of money have been accumulated not through production, but destruction, speculation and fraud.

Now, the ruling class is using the jobs crisis as an opportunity to force workers to accept poverty level wages, and inhuman working conditions. This is the aim of the Obama administration and its policy of “insourcing”—to bring a limited number of jobs back to the US on the basis of lowering the wage gap between US workers and our brothers and sisters in China and Latin America. At the same time, Obama has rejected any federal jobs program, insisting that everything must be subordinate to the “private sector,” that is to corporate profits.

The alternative to capitalism is socialism, the reorganization of economic life under the democratic control of the working class to serve social need, not private profit.

In opposition to the policies of Obama and the two big business parties, the Socialist Equality Party insists that every worker has the right to a job at a livable wage. As we state in our program, “The right to employment is the most basic of all. Without a steady, good-paying job, it is impossible to satisfy all other needs.” Everyone, including the unemployed and retired, must be guaranteed an annual income sufficient to cover all needs.

We call for a multi-trillion dollar jobs program to put millions of people to work. Such a program must be funded through a massive increase in taxes on the rich, the expropriation of the vast sums that have been monopolized by a tiny layer of the population.

Even the most minimal reforms, however, let alone the type of measures required to address the social crisis, pose revolutionary tasks. The wealthy control every aspect of economic and political life. This control must be ended, through the establishment of a workers government and the transformation of the corporations and financial institutions into democratically controlled enterprises.

The Socialist Equality Party election campaign is

fighting for the independent industrial and political mobilization of the working class. Support our campaign in 2012! Take up the fight for socialism!

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