# November jobs report highlights impact of Obama’s eight-year assault on the working class

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While the November jobs report from the Bureau of Labor Statistics showed that the official US unemployment rate fell 0.3 percentage points last month to 4.6 percent, its lowest level in more than nine years, the decline was due largely to workers dropping out of the workforce.

The report was met with a muted response by economists and in Washington, with no official response from President Barack Obama.

Gus Faucher the deputy chief economist at PNC in Pittsburgh was less than enthusiastic about the report, telling the *New York Times* that the latest government figures were “a solid report but not quite as good as the headline numbers would indicate,” describing it as “mixed news.”

Even though some 178,000 jobs were added to the US economy in November, in line with the 2016 average of 180,000 jobs per month, the decline in the unemployment rate was mostly accounted for by the more than 226,000 people who dropped out of the labor force. The overall labor force participation rate, the share of working age adults who are employed, fell to 62.7 percent, its lowest level since June.

Despite the official unemployment rate returning to pre-2008 levels, the labor force participation rate remains well below what is was when Obama took office in January 2009. At least 1.9 million people out of work were not considered as unemployed in the November jobs report because they had not looked for work in at least four weeks.

The labor force participation rate among working-age Americans between the ages of 25 and 54, a measurement that excludes retired workers and many of those who may have left the workforce to attend school, fell 0.2 percentage points from October to November, to 81.5 percent, remaining nearly 2 percentage points lower than what it was eight years ago.

At the same time that the unemployment rate fell, which traditionally indicates a tightening of the labor market, average hourly wages declined by 3 cents, following an 11 cent increase in October.

Wages have risen by 2.5 percent on the year, only slightly above the current rate of inflation. This is well below the 3.5 to 4 percent annual increase in wages that the Economic Policy Institute (EPI) indicates would be necessary for workers to see any recovery from the recession.

The EPI estimates that if average wages had grown at 3.5 percent since late 2007 they would be $3.09 higher than they are today. It would take sustained wage growth at more than 3.5 percent over several years to recoup these wages stolen from workers’ pockets.

While some areas of the economy saw a relative expansion, including professional and business services (63,000), health care (28,000) and construction (19,000), other areas were largely unchanged, including mining, retail, transportation, and hospitality.

Manufacturing employment continued its downward trend for the year, declining by 4,000 since October. Since November 2015, some 44,000 manufacturing jobs have been lost. While there has been a slight increase in manufacturing employment since 2010, there are still 1.74 million fewer manufacturing jobs than there were in January 2007.

Even as it has taken the entire eight years of the Obama administration for the official unemployment rate to fall to pre-recession levels, and there has been a negligible growth in wages, Wall Street has been booming. The value of the Dow Jones Industrial Average has increased by 140 percent since Obama took the oath of office in

January 2009.

The Obama administration funneled trillions of dollars into Wall Street via quantitative easing as it spearheaded the assault on the working class with the bailout of the auto industry in 2009, which slashed the wages of new hires in half, and backed the bankruptcy of Detroit in 2013, which clawed back benefits from retired city workers.

The significant loss of manufacturing work over the last period, combined with declining or stagnating wages, found its reflection in the election of Republican Donald Trump as president in November and the significant collapse in the vote for the Democratic Party, particularly in the Midwest.

During the campaign, Trump appealed to the anger of workers in the so-called Rust Belt states of Ohio, Pennsylvania and Michigan, as well as throughout the coal mining regions of Appalachia.

Trump is continuing this demagogic posturing, as was seen in his performance at Carrier in Indianapolis and in Cincinnati, Ohio on Thursday, where he presented himself as the savior of the working class. However, the policy of the incoming administration will be one of brutal class warfare.

The president-elect's choice for Commerce Secretary, billionaire Wilbur Ross, is a well-known corporate raider and asset stripper, who bought out and then shut down a significant portion of the US steel industry. Steven Mnuchin, Trump's pick to head the Treasury, is a former Goldman Sachs banker who made millions of dollars pursuing foreclosures against elderly homeowners as the chairman of OneWest Bank.

As with the so-called economic recovery under Obama, any industrial jobs created under the Trump administration will be based on low wages for workers and the slashing of benefits, along with massive tax cuts for corporations to make manufacturing in the US as profitable as possible. There will be continued efforts to encourage expansion of low wage, part-time jobs and other precarious forms of employment, especially in the service and health care industries.