

White House demands end to \$600 per week emergency unemployment pay

Andre Damon**16 June 2020**

On Sunday, White House Economic Advisor Larry Kudlow made clear that the Trump administration will not allow an extension of emergency jobless aid to workers laid off during the COVID-19 pandemic.

“We’re paying people not to work,” the former Wall Street executive declared. “Almost all businesses,” he said, understand that the additional unemployment benefit “is, in effect, a disincentive” for people to get back to work.

Three months ago, Congress passed the CARES Act. While handing vast sums to big business, it included a \$600-per-week emergency payment by the federal government to supplement the far lower state unemployment benefits, which are, for example, capped in Michigan at approximately \$350 per week.

More than 20 percent of the US workforce—some 36.5 million people—have been thrown out of work because of the COVID-19 pandemic.

For millions of people in newly unemployed households in America, the additional \$600 assistance has been a vital lifeline, allowing them to avoid hunger and homelessness.

Even with the subsidy, which millions of workers have never received, the number of food-insecure households has more than doubled, hitting between 22 and 38 percent, as food pantries across the country report running out of food. And millions of families are facing foreclosure and eviction.

Kudlow complained that the \$600, plus state unemployment benefits, was “better than their salaries would get” if workers had never lost their jobs. But this is not an expression of the generosity of the government, but rather one reflection of how low wages are in the United States for millions of workers.

Amid a wave of mass layoffs and corporate consolidations triggered by the pandemic, in which an estimated 42 percent of jobs lost during the pandemic will not return, the White House’s refusal to extend emergency unemployment aid will mean destitution for many working class people.

Kudlow’s aim is open and brutal: to extort workers into returning to factories that have become hotbeds for the transmission of COVID-19, even as the disease is in the

midst of a major resurgence throughout large portions of the country.

Nationwide, over 24,000 people have been infected with COVID-19 in meatpacking plants alone, and at least 87 workers have died. In Kansas, nearly 3,000 meatpacking workers have been infected, accounting for approximately one-third of all cases in the state.

Auto plants are likewise breeding grounds for the virus, except the companies are not publicly reporting how many workers are getting sick. Every major automaker, including GM, Ford, FCA, Toyota and Tesla, has a policy of not announcing cases in their factories. But according to sporadic press reports based on anonymous tips from workers, there have been dozens of cases in the auto plants.

One worker at the Navistar truck plant in Springfield, Ohio wrote to the *WSWS Autoworker Newsletter* on Monday to report that five workers had tested positive for COVID-19, and 20 more were waiting on results. Navistar resumed production at the plant one month ago.

The factories have become, in the words of Karl Marx, “houses of terror,” in which any shift could mean a death sentence.

Even in factories without reported cases, conditions are intolerable. Instead of reducing line speeds to allow for social distancing, workers have reported employers simply switching off fans to keep air from circulating. In the middle of summer, surrounded by hot machines, with no fans and having to wear masks, workers are passing out from exhaustion or suffocating on the lines.

Large numbers of workers are refusing to come to work under conditions where it could result in death for themselves and their loved ones. Nationwide, some 30 percent to 50 percent of meatpacking employees were absent last week, according to figures from the United Food and Commercial Workers Union. At some auto plants, more than 25 percent of workers are absent on any particular day.

Worker absences have disrupted the efforts of the corporations to return to maximum capacity. They have sought to make this up by compelling newly hired and

temporary workers to work 60 hours or more a week. But among these workers there is growing resistance to efforts to abandon all safety measures to meet production targets.

Just one day after Kudlow's interview, on Monday, the Federal Reserve announced that this week it would begin its previously announced plan to directly purchase corporate bonds. This sent stock values soaring at the prospect of a further infusion of hundreds of billions of dollars of taxpayer cash onto corporate balance sheets.

The message was clear: When it comes to bailing out the billionaire financial oligarchy, no expense will be spared. But when it comes to keeping workers from starving or being evicted, government assistance is an unacceptable "disincentive" to ramping up production and an obstacle to profit-making.

Kudlow, the multimillionaire ex-director at investment bank Bear Stearns, is speaking as the bagman for Wall Street and the major corporations. They know that forcing workers back on the job under conditions where the pandemic continues to rage will lead to mass infections and mass deaths. Internally, the Trump administration is working with models of how many hundreds of thousands more people will die from its policies. That is why the White House is pushing for corporations to be granted immunity from liability for infections at their workplaces.

The great secret of capitalism, denied by all of its economists, experts and pundits, is that no matter how many trillions of dollars are handed out to corporations by the government, the profits of the financial oligarchy are made only through the exploitation of the working class.

Twelve years of central banks effectively printing unlimited money have massively expanded corporate valuations on the stock market, fueling the enrichment of the financial oligarchy through the expansion of corporate debt. But to service these debts, corporations are required to ensure the uninterrupted extraction of surplus value from their workers.

The claim that workers should risk their lives so that the giant corporations—which spend hundreds of millions each year on executive pay—can service their debts is absurd and irrational.

All claims of what can and cannot be afforded within the framework of capitalism must be rejected. The refrain that there is "no money" to pay for safe working environments or provide support to those affected by the economic shutdown is belied by the \$4 trillion handed out to Wall Street.

Every institution of society, from the corporations, to their "partners" in the trade unions, to the Trump administration and both big business parties, is arrayed against workers, seeking to get them back into death-trap factories with the

aim of enriching the financial elite.

As the Socialist Equality Party wrote in its statement, Build rank-and-file factory and workplace committees to prevent transmission of the COVID-19 virus and save lives!:

This is why workers require their own organizations. In every factory, workplace, and office, workers should organize and elect trusted and respected workers who will represent them. They should utilize all available tools, including social media, to reach out to workers throughout their industry and in other sectors to coordinate their activities and share information.

With COVID-19 cases surging throughout the country, it is all the more critical that workers assert control over their own workplaces. Workers must form rank-and-file safety committees to establish control over line speeds and social distancing. In factories where COVID-19 is spreading, these committees must immediately stop production.

Inseparable from the demand for safe workplaces is the fight to ensure that workers made unemployed by the crisis receive a guaranteed living wage, and that they do not suffer any diminution of their incomes as a result of the pandemic.

The demands of workers for safe workplaces are in harmony with the calls by scientists and medical professionals for serious measures to contain the disease. The struggle for a rational, scientific response to COVID-19 requires a fight against the capitalist system and the dictatorship of the financial oligarchy over society.



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