After receiving $5.8 billion through the CARES Act

American Airlines announces 19,000 to be laid off starting October 1

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American Airlines executives announced Tuesday that without additional government funding through the Payroll Support Program (PSR), included in the CARES Act passed earlier this year, it will proceed with furloughing 19,000 workers on October 1. Thousands may still be laid off regardless of whether Congress hands over more public money to the airline.

As part of the bipartisan CARES Act passed at the end of March this year, the major US airlines were bailed out to the tune of $25 billion, with American Airlines receiving a hefty $5.8 billion gratis from the US taxpayer. As part of the terms of the bailout, the airlines were required to use the money to retain workforces through September 30.

With the additional layoffs, American will have 40,000 fewer workers than it did before the pandemic. More than 12,500 workers have already been forced to leave through "voluntary" retirements, buyouts and other schemes.

In addition to American, Delta Air Lines announced on Monday that it will furlough over 1,940 pilots unless the Air Line Pilots Association agrees to a minimum 15 percent pay cut.

The mass layoffs in the US airline industry are part of a global restructuring of the airline industry that is destroying the jobs of thousands of airline workers in the UK, Germany, Australia and other countries. It occurs at a time when more than 30 million US workers are officially unemployed, and jobless workers have been without their $600-a-week federal unemployment benefit for nearly a month and many face eviction for nonpayment of rent.

All of the major airlines spent billions of dollars in the decade leading up to the pandemic on share buybacks and dividend distributions to stockholders. In a Bloomberg report earlier this year, it was revealed that American, United, Southwest, Delta and Alaska had spent 96 percent of their free cash flow (money remaining after capital expenditures) between 2010 and 2019 buying back their own shares.

American Airlines led all domestic carriers, spending $12.97 billion on buybacks during that time, even though the company had a negative free cash flow of over $8 billion during that same period. Delta and Southwest were close behind, spending $11.4 and $10.65 billion on buybacks, respectively.

Despite the bailouts, the airlines have continued to pressure workers into accepting buyouts, taking early retirement or acceding to leaves of absence for months on end, in many cases unpaid.

Some 17,500 workers—members of the Allied Pilots Association and the Association of Flight Attendants—are being targeted for the new "involuntary staffing reductions," according to the notice distributed to workers by American Airlines CEO Doug Parker and President Robert Isom.

The letter included a chart titled "Anticipated furloughs by workgroup," which identified 1,600 pilots, 8,100 flight attendants and 2,223 fleet service workers for layoffs, with the remaining spread across "dispatch," "passenger service," "wholly owned carriers" and "maintenance." An additional 1,500 management and support staff will be terminated by the end of September.

The executives blamed lower flight volume and the continuing spread of the pandemic for the layoffs, while urging workers about to be thrown into a tailspin of financial insecurity to "take heart that we will get

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through this together."

As CEO for American last year, Parker pocketed over $11 million, and $12 million the year prior, while Isom "earned" over $7.1 million in 2019, according to salary.com.

There is no "in this together." The coronavirus has exposed the massive class chasms that exist in US capitalist society. While the rich have never had it better, as their stock portfolios continue to gain value through artificial manipulation of the stock market via injections from the Federal Reserve, workers, the majority of whom own nothing in the Wall Street casino, have been laid off by the millions, with prospects of a quick rehiring looking more remote by the day.

A survey reported in the *Washington Post* and conducted by Gusto, a payroll firm with small business clients in every US state, found that roughly 33 percent of workers furloughed in March were permanently laid off by July, while only 37 percent have been called back to their previous employer.

The US Labor Department estimates that 3.7 million unemployed workers permanently lost their job by the end of July, with that number expected to reach between 6.2 million and 8.7 million by the end of this year, according to an analysis from Gabriel Chodorow-Reich of Harvard University and John Coglianese of the Federal Reserve.

Small businesses continue to suffer under medically necessary lockdowns, as deadlines to apply for funding provided through the Paycheck Protection Program have long expired, and any funds thousands of small businesses received were long ago exhausted. While much of the money through the program was siphoned off by large businesses, billionaires, politicians, charter schools and the Catholic Church, millions of small businesses were able to temporarily stave off job cuts and closures with the federal aid, which has now dried up.

A database maintained by Oxxford Information Technology, which tracks about 32 million businesses, nonprofits, farms and government entities, expects about four million US businesses to close by the end of the year, with only 1.3 million new businesses expected to be established.

In the face of the brutal job-cutting of American Airlines workers, the Allied Pilots Association and the Association of Flight Attendants-CWA have opposed any strikes or other actions in defense of jobs.

In a less than seven-minute Facebook video, Sara Nelson, president of the AFA and a member of the Democratic Socialists of America, echoed the airline executives' talking points. She repeated the lie that the pandemic was a crisis that "no one could have prepared for," adding that "no one thought" the US would continue to be the center of the coronavirus pandemic months after the passage of the CARES Act.

In a crude promotion of Biden and the Democrats, Nelson implored workers "not to give up" and continue to "get even more engaged in fighting to extend the Payroll Support Program." She advised soon-to-be-furloughed workers to "keep up the calls" to the corporate shills in Congress who are currently on vacation to demand they "pass the relief."

If airline workers, like autoworkers, Amazon and other logistics workers, nurses and health care workers and teachers are to save their jobs, it will be up to them to organize rank-and-file committees that are independent of the nationalist trade unions and the capitalist Democratic Party.

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