

Catastrophic job losses continue in the US as nearly 800,000 new unemployment claims reported

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Over the last 31 weeks, 65.2 million initial unemployment claims have been filed, including 787,000 for the week ending Oct. 17, a slight decrease from the 842,000 filed the previous week, but still over 85,000 more than the previous high set in 1982.

The astronomical total is nearly 30 million higher than what was filed throughout the entire 2008–09 Great Recession. The economic crisis which has ravaged the working class and small businesses since March is the worst since the Great Depression of the 1930s.

Nearly 11 million jobs have yet to be restored over seven months into the pandemic as “temporary cut-backs” become permanent, especially among restaurants, salons, nightclubs and bars that have depleted Paycheck Protection Program loans, yet have not seen a recovery in revenue as the coronavirus continues to spread unchecked throughout the US.

According to an ongoing study by Opportunity Insights, which compiles public and private data, nearly a quarter of small businesses, 24.1 percent, have closed since January, while overall small business revenue is down 23.2 percent in the last nine months.

Illustrating persistent economic stagnation, the October federal jobs report, which is based on September statistics, showed that 2.4 million workers have been unemployed for 27 weeks or more, up 800,000 from 1.6 million in the month of August.

The top five states with the most new claims were California, with 158,877; followed by New York with 56,483; Texas, 50,819; Illinois, 47,018; and finally, Massachusetts with 44,518 jobless claims. California had not reported numbers the last two weeks in order to implement a new “anti-fraud” program to catch alleged

scammers.

In addition to the nearly 800,000 initial claims, another 345,440 people applied for Pandemic Unemployment Assistance, which was passed as part of the CARES Act in March, bringing the total number of claims for unemployment support above 1.1 million. There has yet to be a single week since March 14 in which combined state and PUA claims have not exceeded 1 million.

Part of the reason for the decline in the number of continuing claims for unemployment benefit, which are administered through the individual states as opposed to the federal government, is that a majority of states have capped at 26 weeks the length of time jobless workers can collect benefits, while some, such as Florida and North Carolina, set the maximum at only 13 weeks. Just under 9 million people are currently collecting state benefits.

As those benefits begin to expire, workers who were laid off at the start of the pandemic have begun to shift to the federal Pandemic Emergency Unemployment Compensation (PEUC) program. The PEUC program, which provides an additional 13 weeks of benefits and expires on Dec. 31, added 509,823 people for the week ending Oct. 3, bringing that total to 3.3 million.

While this has led to a reduction in the actual number of people collecting government assistance, this does not mean the need has evaporated. All together some 23.2 million people are on some form of unemployment insurance. The four-week average for new claims, after revisions, is at 811,000, roughly four times the pre-pandemic average.

For thousands of workers the daily ritual of navigating phone trees, filing claims and waiting on

hold in order to maybe speak to a human and file the necessary paperwork in order to collect some form of assistance has yet to bear fruit. In Nevada, which only began paying out the \$300-a-week Lost Wage Assistance (LWA) benefit last week, nearly 18,000 jobless workers have organized in a private Facebook Group to assist others in navigating the labyrinthine process.

“I haven’t gotten thru in WEEKS... I’m losing my patience you guys. This is soo illegal and unfair,” reads a recent comment, typical of the experience for thousands of workers. Others state that they have been calling for 27 weeks, or more, only to be hung up on as they try to negotiate archaic unemployment systems which in many cases, have been specifically designed to frustrate and impede.

Another wrote, “So I called the [unemployment] number 3 times today. One call said ‘thanks for calling behavioral health.’ The second call said ‘you’ve reached the United registry,’ and the 3rd call said ‘please enter your social security number.’”

While thousands continue to try and process their claims, for millions of other workers in states across the country the LWA funds have already dried up. As of this week only New Jersey, Nevada, Hawaii, Wisconsin, Virginia, Alaska, Kansas and Arkansas are still paying out LWA.

The dire situation facing millions of workers has yet to compel both capitalist parties into coming to terms on another relief bill. On Thursday, House Speaker Nancy Pelosi and Treasury Secretary Steven Mnuchin, once again, held limited talks that didn’t yield any legislation, much less an agreement.

“It is not just a question of us agreeing in a room... it takes time,” Pelosi said.

While Pelosi, married to a real estate investor worth an estimated \$114 million, and Mnuchin, a former Goldman Sachs banker worth an estimated \$300 million, take their time, US census data indicates that nearly 51 million households are unable to budget for basic monthly expenses, while 1 in 4 households have experienced food insecurity this year.

The need has gotten so extreme for millions of people in the richest country in the world that popular internet crowd-funding website GoFundMe.com debuted a “Basic Necessities Cause Fund,” which will “offer financial relief for basic needs such as rent and food.”

The website notes that since March 2020, donor support on GoFundMe has increased, “300% for fundraisers related to rent, food, and bills.”

Meanwhile, the Pentagon announced on Wednesday that the classified military intelligence budget was approved by Congress at the level of \$23.1 billion for the fiscal year. In a brief statement, the Department of Defense stated that it wouldn’t release any “budget figures or program details ... as they remain classified for national security reasons.”

It is the highest amount the military intelligence budget has received since Congress approved \$27 billion in 2010. The Pentagon has requested another \$23 billion for 2021.

At every step of the way the needs of the broad mass of the population, for food, housing and safety from the deadliest pandemic in a century are constantly thwarted by a parasitic ruling class, whose primary concern is increasing and preserving their ill-gotten wealth.

Democratic nominee Joe Biden and Republican President Donald Trump barely mention the hardship facing millions, while both promise Wall Street that they’ll continue to pursue the deadly reopening of schools and businesses as part of the ruling class’s genocidal “herd immunity” policy, which has been embraced from Trump and Biden to the Democratic Socialists of America, demonstrating their shared class interests.

The fight to stop the spread of the pandemic and redistribute the wealth controlled by pandemic profiteers, major corporations and Wall Street will be led by workers and youth organized on an international class basis in rank-and-file, work, school and neighborhood committees. Those interested in joining a committee near you or starting one are encouraged to contact us and make a class conscious decision to fight for socialism.



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Socialist Equality Party visit:

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