

Bipartisan US “relief” bill stiffs workers and unemployed, gives billions more to business

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Late Sunday night, congressional leaders from both parties signaled their acceptance of a roughly \$900 billion coronavirus relief bill that includes generous handouts to large companies while leaving jobless workers and their families with crumbs. The bill is expected to pass both the House and Senate by Monday afternoon and be attached to a \$1.4 trillion omnibus spending bill. President Donald Trump has signaled his intention to sign the bill into law.

The package, which Senate Minority Leader Chuck Schumer called a “strong shot in the arm,” does nowhere near enough to make whole the over 10 million people who have lost their jobs since March and the millions whose hours or wages have been reduced.

The bill does not provide health insurance for the estimated 15 million who have lost it during the pandemic. It will not house the over 162,000 who have been evicted during the pandemic, nor does it provide enough money to cover the nearly \$6,000 in average back rent owed by some 12 million people, according to Moody’s analytics.

It’s been nearly nine months since congress passed the CARES Act, a windfall for the financial oligarchy that provided about \$6 trillion in low-interest loans and cash subsidies to major banks and corporations, while providing limited relief for the general population in the form of a \$1,200 stimulus check for those earning under \$75,000, limited protection against eviction, and a \$600 weekly federal unemployment benefit.

The new bill slashes the federal supplemental jobless benefit to only \$300 a week and cuts the duration of the program to a mere 11 weeks. It reduces the one-time stimulus check to \$600 from the CARES Act’s \$1,200.

A temporary holdup in the bill’s passage was ironed out over the weekend after a deal was struck between Republican Senator Pat Toomey and the Democrats over several Federal Reserve programs created in the CARES Act that were set to expire at the end of the year. Treasury

Secretary Steven Mnuchin had already ended the programs on his own, but the language Toomey included in the package would have required congressional approval to restart the programs in case another crisis for the financial oligarchy arose that required additional billions in immediate funds.

The Democrats demanded the removal of the proposed check on the supposed “independence of the Fed,” a fiction used to conceal the fact that the US central bank is an instrument of the corporate-financial oligarchy and does its bidding.

The Democrats had little problem abandoning federal aid to cash-starved states and cities, money for food programs under conditions of mass hunger, serious money for COVID-19 testing, tracing and PPE, and other desperately needed social funding they had included in the so-called Heroes Act passed by the House in May. But on the issue of unlimited Fed money to prop up the financial markets, they dug in their heels and refused to sign onto the deal until Toomey backed down.

In a tweet Sunday, Schumer boasted that Toomey had “dropped his dangerous language tying the Fed’s hands.”

While the text of the bill has yet to be released, it undoubtedly includes, largely buried in the fine print, innumerable gifts for the politically-connected and well-off. One such boon already unearthed is the inclusion of the so-called “three martini lunch” provision, which allows businesses, previously allowed to deduct 50 percent of meal expenses from their federal taxes, to increase the tax write-off to 100 percent. Unnamed tax experts assured the *Washington Post* that the handout should not exceed “a few billion dollars a year.”

Another provision included in previous summaries of the bill allows “intelligence and defense contractors to have flexible contracts during the COVID-19 pandemic.” While the precise meaning of this provision remains unclear, it is no doubt a gift to large defense industry

corporations and has nothing to do with providing vaccines, food or housing to millions of people in need.

Democratic House Speaker Nancy Pelosi shot down two packages earlier this year presented by the White House and Senate Majority Leader Mitch McConnell that contained some funding for state and local governments, compared to the zero dollars in the current package.

The bipartisan bill does not include a liability shield for corporations and businesses that infect their workers and customers with the coronavirus, which had been a central demand of Senate Republicans. However, as Senate Minority Whip Dick Durbin acknowledged in a speech earlier this month, 38 states have already passed such legislation.

The largest chunk of the package, \$284 billion, will be dedicated to refunding the misnamed Paycheck Protection Program (PPP). Ostensibly created to provide low-interest loans that could be turned into grants to allow small businesses to continue paying their employees, in reality large businesses were handed millions in loans, consuming a disproportionate share of the funding, untold thousands of small businesses received nothing, and Wall Street banks pocketed billions in loan fees.

Over 100,000 legitimate small businesses, many of which were unable to navigate the paperwork or had their PPP loan applications rejected, have shut down permanently since March. One business that was able to take advantage of the PPP, according to a report earlier this year by the *New York Post*, was a political consulting group co-owned by “progressive” Representative Ilhan Omar’s husband, Tim Mynett, which was granted a \$134,800 loan. In addition to the six-figure loan, the E Street Group LLC was the beneficiary of \$500,000 in Economic Injury Disaster Loans.

Other major provisions of the bill include:

- \$20 billion for the purchase of vaccines along with \$8 billion for vaccine distribution and \$20 billion to assist states with testing and contact tracing.

- \$45 billion for transportation, including \$14 billion for transit systems, \$10 billion for highways, \$2 billion for buses, \$2 billion for airports and \$1 billion for Amtrak.

- \$16 billion for major US airlines, which already received \$25 billion from the CARES Act and proceeded to lay off some 90,000 workers. The new money reportedly comes with a stipulation that airlines will have to return 32,000 furloughed workers.

- \$1.4 billion in new funding for Trump’s border wall, including “new border security technology.”

The miserably inadequate level of social assistance in

the bill is already arousing popular anger. On social media, one jobless worker wrote a message to Vermont Senator Bernie Sanders and New York Representative Alexandria Ocasio-Cortez, the supposed leaders of the “progressive” wing of the Democratic Party, declaring: “\$600 stimulus. Thanks for not delivering on what you’ve promised for 8 months. Don’t tell us you care, you don’t.”

One Twitter user wrote, “congress has agreed to a \$900 billion stimulus deal & Americans that [are] struggling [are] only getting a one time check of \$600... \$600 now and an eviction notice the next month. Happy Holidays Everyone!”

Another sardonically added, “thank you congress for finally passing a \$600 stimulus check that will go directly to landlords.”

As with the CARES Act, the \$600 checks will not be sent to adult dependents, meaning millions of college students won’t be receiving them. Immigrants without a Social Security number are also not eligible to receive checks. Federal unemployment benefits that some 12 million people are using through the Pandemic Unemployment Assistance and the Pandemic Emergency Unemployment Compensation programs have been extended for only 11 weeks, as opposed to the 16 weeks previously announced, and at only \$300 a week.

A mere \$25 billion is slated for rental assistance, and it is not known how much of this will actually go to tenants, who collectively owe some \$70 billion in back rent, according to Moody’s.

A renewed eviction moratorium is reportedly in the bill. However, it appears to be only a one-month extension, ending on January 31, leaving up to 20 million people facing eviction.



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