

Cutoff of federal jobless aid in the US leaves millions of workers scrambling to make ends meet

Jessica Goldstein
15 September 2021

An estimated 7.5 million workers in the US lost their \$300-a-week federal unemployment benefits last week. That is after the federal government reduced federal unemployment benefits from \$600 per week in summer 2020.

Some working-class parents, like 33-year-old Amanda Rinehart of Allentown, Pennsylvania, are unable to return to work because of the need to provide care for their children who are at risk for contracting serious cases of COVID-19 if they return to packed classrooms and day care centers. She told the *New York Times*, “They should not cut these benefits off until there is a vaccine for all the little humans of all ages, because there are parents like me that have children that are high risk for Covid.”

Her 8-year-old son has asthma and is unable to receive a COVID-19 vaccine, like all children under the age of 12 in the US. Since she has no one to take care of him while he remains at home, she left her job as a hotel assistant manager and was able to get by on about \$560 per week in unemployment benefits from the federal and state governments. “I have no idea what I’m going to do once these benefits stop,” she said.

The Biden administration ended four US federal pandemic unemployment programs on September 4. The same week that unemployment assistance was cut, the US Supreme Court ruled to end the federal moratorium on evictions that millions of renters relied on for stable housing during the pandemic. States began to see waves of eviction filings in the first week of the end of the moratorium, with some states seeing eviction filings well above average.

The ending of these programs, which had the widespread backing of both Republican and Democratic officials, has left 11 million workers in the US desperate as they scramble to figure out how they will provide for themselves and their families.

One of these unemployed workers, Ana Cepera, told NBC 6 South Florida that she was facing eviction along with her three children because of the abrupt end of federal benefits. “Right now, I’m without a job... Every day I’m like, OK, is today the day that they’re going to tell me I’m going to lose my home?”

The benefits, which amounted to little more than \$1,000 to

\$1,500 per month, served as a lifeline for millions of workers who would otherwise have been on the brink of starvation and homelessness. Yet many of these same workers found it a struggle to navigate underfunded state benefit systems to receive the benefits they were due after they lost their jobs through no fault of their own. Robin Woods of Pennsylvania, who lost her job of two decades in a layoff during the pandemic, described the struggle to stay afloat to 11 News: “It’s been a struggle from day one. I’d get a lump sum, and then I wouldn’t get it. I have had nothing but problems.”

The Federal Pandemic Unemployment Compensation (FPUC) provided an additional \$300 a week to workers who received at least \$1 of regular state or federal unemployment benefits. The other unemployment programs ended by the Biden administration programs include Pandemic Unemployment Assistance (PUA), which provided unemployment benefits to those not traditionally eligible to receive unemployment benefits, such as gig workers and freelancers; Pandemic Emergency Unemployment Compensation (PEUC), which provided additional weeks of unemployment benefits to workers who exhausted all eligible weeks of benefits in the state’s unemployment system; and Mixed Earners Unemployment Compensation (MEUC), which gave an additional \$100 a week to eligible workers who earned self-employment income along with wages earned with an employer.

Situations like those of Ana Cepera and Amanda Rinehart are mirrored by the experiences of unprecedented millions of workers in the wealthiest nation in the world. The Democrats and Republicans, who speak for the interests of the rich, have turned a blind eye to the suffering that their policies have created.

In June, after 25 Republican-led states and one Democratic-led state exited the federal unemployment program early, White House Press Secretary Jen Psaki commented that the governors of those states had “every right” to end them early and that the Biden administration “never proposed making the benefits permanent or doing so over the long term.”

Since then, government officials and the press have parroted

the hopes of big businesses that the millions of unemployed will be forced by threat of destitution to accept low-wage work in precarious jobs that expose workers to the deadly SARS-CoV-2 virus.

The reality is different. A recent *New York Times* article reveals that government assistance programs during the pandemic actually kept millions of US workers out of poverty compared to before the pandemic. Roughly 9.1 percent of US workers were considered living in poverty in 2020, a significant drop from 11.8 percent in 2019 and the lowest number since records on poverty levels began to be recorded in 1967, according to the *Times*.

Data also shows that ending unemployment benefits has done little to compel workers to take on jobs that are dangerous or don't suit their financial needs or work experience. From April through July, states that cut unemployment early saw only 1.33 percent job growth, states that kept them saw 1.37 percent rise in job growth. There are currently 10.9 million open jobs in US, but most are low wage and in retail, food service and other service industries.

Yet workers are resisting the attempts of the ruling class to push them into dangerous, low-wage work for profits. "We're still in a pandemic. The idea of being close to hundreds of strangers a day, even while being vaccinated, is not something that appeals to me," Michael, an out-of-work graphic designer, told CNN Business, explaining why he did not pick up a job as a server at a restaurant while he waited for an opening in his field.

A survey conducted in May by the National Retail Federation and Prosper Insights & Analytics showed that 10 percent of respondents were uncomfortable returning to any kind of in-person work. They mainly cited health concerns over the pandemic and worried that no amount of precautions that employers attempted to use would be effective enough to protect them.

The survey showed 34 percent of respondents said that they wanted social distancing at their workplaces and 33 percent wanted mask mandates, both of which virtually no employer in the US is willing to guarantee for the sake of gaining as much productivity and profit as possible from each worker.

The bipartisan ending of the federal unemployment programs and eviction moratorium comes as the US Bureau of Labor Statistics released data on the Consumer Price Index for August, which shows the inflation rate averaged for all consumer goods in the US at 5.3 percent last month. This is only slightly lower than the 5.4 percent inflation rate reported in July.

The US government has cut meager unemployment benefits for millions of workers at the same time that it has overseen a massive shift of \$1.8 trillion to US billionaires, according to a recent report from Americans for Tax Fairness and the Institute for Policy Studies Program on Inequality. Just weeks before the Biden administration ended the federal unemployment

programs, President Biden admitted in an address that the US government spent \$300 million per day on the two-decade-long war in Afghanistan which ended in a debacle last month.

The rising prices of basic goods coupled with low wages, high levels of unemployment and the uncontrolled spread of the coronavirus pandemic, while the richest see their wealth soar to new heights, are fueling social tensions of a historic magnitude. Already, the deadly return-to-work drive of the ruling class has caused outbreaks of COVID-19 at workplaces and schools across the US. In most cases, companies, school districts and the unions are not accurately reporting on positive COVID-19 cases in workplaces and schools, sometimes completely blacking out information from the working class and students, further exacerbating the spread of the disease when hospitals all over the US are running out of beds to treat patients.

There is more than enough money to fund a program that will really end the pandemic and social misery for the working class, which requires nationwide lockdowns of in-person schools and non-essential businesses and full compensation for all workers and small business owners affected. Workers are beginning to fight back with their own program to end the attacks on their lives and livelihoods at the behest of corporate profit interests which are aided and abetted by the Democratic party and the trade unions. Workers at Dana auto parts plants across the US and educators in schools around the world have formed rank-and-file committees to take their struggle into their own hands. Through the linking up of these committees under an international and socialist program to expropriate the wealth of the billionaires to satisfy social need, the working class can achieve an end to the pandemic and the right to a safe workplace, a good job and high wages for all.



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact