Year-end job cuts spread across the US

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Job cuts are sweeping across the US economy as corporations purge their payrolls for the coming year. Since the beginning of December, tens of thousands of workers employed in manufacturing, tech, entertainment, finance, retail and other industries have received layoff notices as a holiday gift from their employers.

In the first 11 months of the year, companies have cut 686,860 jobs, a 115 percent increase from the 320,173 cuts announced during the same period last year, according to job placement firm Challenger, Gray & Christmas. This was the highest January-November job loss total since 2020—the first year of the pandemic—when 2,227,725 cuts were recorded. Prior to 2020, this year's job cuts are the highest since the 1,242,936 cuts announced through November 2009, in the aftermath of the 2008 financial crash.

Earlier this week, **toy maker Hasbro** announced it is cutting 1,100 of its roughly 5,700 employees over the next 18 to 24 months. The company cut 800 jobs earlier this year. CEO Chris Cocks said in a memo Monday that the move was due to weaker-than-expected toy sales during the first nine months of the year, after sales hit "historic, pandemic-driven highs." Overall, US toy sales in November were down 10 percent from a year ago, according to research firm Circana.

Retailers are projecting slower growth this holiday season, as working class and middle class families curtail spending because of high prices and borrowing costs and the resumption of student loan payments for younger consumers. Holiday spending accounts for 26 percent of retail sales overall, 34.5 percent for hobby, toy and game stores, and 33.3 percent for department stores.

E-Commerce retailer Etsy is cutting 225 jobs, or 11 percent of its workforce. In a note to employees earlier this week, CEO Josh Silverman said that "the pandemic drove more people to Etsy than ever before," but a "leaner, more agile team" was now needed to "maintain a sustainable cost structure."

Seattle-based e-commerce company **Zulily,** which specializes in children's clothing, is going out of business and cutting over 800 employees in Washington, Nevada and Ohio.

In what could be the final liquidation of the famed **Macy's** department store chain, private investors, including those focused on real estate, made a $5.8 billion bid last week to buy the 500 stores operated by the 165-year-old company, which has been hard hit by online competition. "Macy's has been offered a buyout of 6 billion, but not for the brand, for the real estate," a Macy's worker posted on Thelayoff.com. "So my impression on this buyout is that Jeff [Gennette] the ceo Parasite knew this all along and is walking out the door just as it's announced. The board of crooks will get millions in buyout and all you blood, sweat and tears folks will go down with the ship ... this time it won't be women and children first ... only the high brass..."

Challenger reported that large-scale seasonal hiring announcements are at the lowest point since 2013, with 573,300 seasonal positions announced in September, October and November of this year. Despite the peak holiday season, new jobs in transportation and warehousing are also down 21 percent since last November. The sector, which saw record-high employment last December, with 7,049,500 workers, now employs 53,900 fewer workers than in November 2022.

Union Pacific Railroad is laying off 1,350 track maintenance workers, reducing the current workforce to 4,737, compared to 6,078 in September and 8,791 in July of 2015. Union Pacific made $14.3 billion in gross profits last year and $13.7 billion in the first nine months of 2023. The layoff of the Maintenance of the Way workers will lead to a further delay and postponement of track repairs, exacerbating the danger of more derailments.

"Happy holidays," one UP worker posted on Thelayoff.com. "Then in January we will furlough a bunch more people as a happy new year hit the road jack!"

Media conglomerate Paramount Global is preparing to lay off 1,000 workers by early 2024. These cuts are part of a jobs massacre in the entertainment industry in the aftermath of the months-long strike by writers and actors, which was betrayed by the Writers Guild of America and SAG-AFTRA unions. According to one study, current employment in the industry has fallen by 26 percent since its peak in August 2022, with more than one in four workers not getting called back after the strikes. Corporations are using Artificial Intelligence and other technologies to slash jobs and cut costs.

Ford Motor Co. is planning to cut production targets for its electric F-150 Lightning pickup trucks by one half in 2024, imperiling the jobs of 2,200 workers who build the vehicle at the Rouge Electric Vehicle-Center (REV-C) in Dearborn, Michigan. Facing lagging demand for EVs and stiff competition from Tesla and Chinese competitors, Ford, GM and Stellantis have trimmed back EV investments and utilized the new contracts signed by the United Auto Workers bureaucracy to slash jobs.

Automaker **Stellantis** announced last week that 1,225 workers will be laid off indefinitely at its Toledo Assembly Complex, starting as early as February 5. The company, which owns the Chrysler, Dodge, Ram and Jeep brands, also said it will carry out 2,465 "temporary" layoffs at its Detroit Assembly Complex Mack plant. The job cuts include 1,100 "supplemental employees" in Toledo, who the UAW claimed would be rolled over to full-time positions under their new labor agreements.

"This is BS, losing our jobs with the holiday around the corner," a 20-year-old supplemental worker at the plant told the WSWS. "We have people who have been temporary workers for five or six years, and they're losing their jobs before they can become full-time. It's immoral and inhuman that you have CEOs making so much money while people are out here starving and struggling to keep their families fed."

Other recent layoffs include: Music streaming companies **Spotify** (1,500) and **Tidal (1,000);** Boston-based financial firm **State Street** (1,500) and San Francisco-Bay Area communications giant **Twilio** (300, after laying off 1,500 in February).

US Federal Reserve Chairman Jerome Powell has made no secret of the central bank's aim of driving up unemployment in order to fight "wage inflation," i.e., beat back workers' demands for raises that keep pace with soaring prices. After raising interest rates to the highest level in 22 years, the Fed has kept rates steady over the last three meetings, with Powell indicating Wednesday that three rate cuts were planned for next year.

In response to the move, the Dow Jones Industrial Average jumped 512 points Wednesday, closing above the 37,000-point mark for the first time in history, as investors celebrated the plans to reduce borrowing costs for financial speculation.

As the *New York Times* noted, "Fed officials have also been heartened to see that the job market is cooling. Job openings are down notably, and employers are hiring at a robust but no longer white-hot pace. As supply and demand for workers comes into balance, wage gains have been slowing."

Wages rose last month at a 4 percent annual rate, the *Times* reported last week, "extending a slow decline in the pace of pay increases but still above the 3 percent level policymakers view as consistent with their 2 percent inflation target." After Powell's announcement, the *Times* wrote, "Policymakers made clear on Wednesday that they could still raise rates if prices unexpectedly jumped. 'Participants didn't write down additional hikes,' Mr. Powell said."

The Biden administration has relied on the trade union bureaucracy to suppress wage demands and impose the austerity measures needed to finance the US military machine and continue funneling billions to the corporate and financial oligarchy. According to the Fed's own Survey of Consumer Finances released last month, the top 10 percent of wage earners (who have an average net worth of about $6.6 million) saw their incomes increase by about 22 percent between 2019 and 2022. Overall, real median income rose by only 3 percent. The Fed noted that the rise in income inequality was "one of the largest three-year changes" since it began the consumer finance survey in 1989.

Despite the treachery of the union bureaucracies, the explosion in inequality is fueling a resurgence of the class struggle throughout the world. In October, there were 4.5 million workdays lost due to strikes in the United States, the most of any month in four decades, according to preliminary data from the US Bureau of Labor Statistics cited by the *Wall Street Journal*.