

# US labor share of income falls to lowest on record; 2025 jobs figures weakest outside of official recession since 2003

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The US economy added only 50,000 jobs in December, according to the latest Bureau of Labor Statistics (BLS) figures released Friday. This brings to an end a year which saw a jobs bloodbath against the working class carried out by corporate America, with all indications that the assault will accelerate in the new year.

What is being carried out is nothing less than a social counter-revolution aimed at eliminating whatever remains of the gains of a century of class struggle. According to the latest figures, the labor share of income for the nonfarm business sector dropped sharply in the third quarter to its lowest level ever, of only 53.8 percent. In 1990 by comparison, following a decade of unprecedented plant closures and deindustrialization, it was 67.3 percent.

Even the corporate media, generally concerned with the monthly jobs report only insofar as it affects interest rate policy at the Federal Reserve, was compelled to take note. With only 584,000 jobs created during the year, CNN reported that 2025 marked the worst year for job growth outside of an official recession since 2003.

Unemployment ended the year at 4.4 percent, near last month's four-year high of 4.5 percent. The figure produced mixed reactions on Wall Street because it lowers the likelihood of the Federal Reserve opening up the money spigot through further interest rate cuts at its next meeting.

The details of the report underscore the depth of the crisis. Manufacturing employment continued its decline for the eighth consecutive month. A major driver of the contraction is the auto industry, which is imposing the costs of poor electric vehicle sales on workers. General

Motors' Factory Zero has been reduced to a single shift, while Ford has announced thousands of layoffs at its Rouge Electric Vehicle Complex, a battery plant in Louisville, Kentucky; and other facilities. Transportation and warehousing also shed 6,600 jobs during the month. Companies such as UPS, Amazon, FedEx and the US Postal Service are using automation to eliminate hundreds of thousands of jobs and eventually replace most of their inside workforces.

The jobs figures are seasonally adjusted to factor out short-term holiday hiring. But even if seasonal hiring were fully included, the results would still have been dismal. The USPS itself boasted that it hired only 13,000 seasonal employees, one of the lowest levels in recent memory.

Most of the jobs that were added were concentrated in the low-wage service and hospitality sector. At the same time, the BLS revised downward its already disastrous October and November figures by a combined 76,000 jobs, meaning a net decline of 117,000 jobs over the two-month span.

The official figures likely represent a vast undercount of the real extent of job losses. Federal Reserve Chair Jerome Powell has estimated that employment reports are overestimating job creation by roughly 60,000 jobs per month. This is likely to be reflected in future revisions. Last September, the government revised downward its 2024 jobs numbers by nearly 1 million.

Excluding the pandemic year, US corporations announced the most layoffs last year since the Great Recession in 2008. A report released this week by Challenger, Gray & Christmas put the annual figure at 1,206,374 layoffs; it also noted hiring levels were their lowest since 2010.

The sectors with the largest layoffs included: government, with 308,167 cuts driven by Trump's sweeping attack on federal programs through the so-called Department of Government Efficiency (DOGE) and related mechanisms; technology, with 154,445 layoffs, where artificial intelligence is currently being used most aggressively to destroy jobs; warehousing, with 95,317 layoffs, more than quadruple last year's total; and retail, with 92,989 layoffs, more than double last year.

A separate unemployment report by the human resources firm ADP showed that only 41,000 jobs were added in December, with declines recorded in professional and business services, information and manufacturing.

These trends are set to continue and deepen in the coming year. The Challenger report tracks *announcements* of planned layoffs. Many of these will either begin or continue in 2026.

The ruling class is imposing on the backs of the working class the costs of unsustainable levels of debt and a massive, brewing economic crisis. This is being carried out through mass unemployment and, for those workers who remain employed, levels of exploitation not seen in generations.

These conditions have found expression in a series of high-profile deaths and disasters at industrial sites over the course of the past year, including the deaths of two postal workers and autoworker Ron Adams, as well as explosions at an oil refinery in Los Angeles, a Tennessee munitions plant, and the fiery crash of a UPS cargo plane in Louisville.

While artificial intelligence has the potential to vastly reduce the burden of work and improve the quality of life for billions of people, Wall Street views it as a weapon for mass unemployment and is deploying it as such. The intensified exploitation of labor is also a major source of funding for new speculative bubbles, including the AI bubble itself, which by some estimates already dwarfs the real estate bubble that produced the 2008–2009 financial crash.

Such policies cannot be imposed democratically. They lie behind the police rampage under Trump, including the shooting of Renee Nicole Good in Minneapolis and the killings of two unidentified individuals in Portland. These events are bound up with a broader plan to overthrow the Constitution and

impose a dictatorship, backed by oligarchs such as Jeff Bezos, Elon Musk and others.

There is a direct continuity between foreign and domestic policy. New sources of surplus value are being sought not only through intensified attacks on the working class at home but also through foreign conquest and robbery. The abduction of Venezuelan President Nicolás Maduro is being openly justified by seizing the country's oil wealth. Trump has declared the Western Hemisphere "our hemisphere," while preparations accelerate for war with China and even potentially against erstwhile allies in Europe.

These policies are being carried out with the active support of the union bureaucracy, which openly backs trade war and tariffs as a supposed boon for jobs, even as these measures facilitate massive cuts in manufacturing, warehousing and other sectors. UAW President Shawn Fain and Teamsters President Sean O'Brien, who continue to enjoy the support of the Democratic Socialists of America and other pseudo-left organizations, are offering their services as allies to the would-be Führer Trump.

The developing crisis is already producing tremendous opposition, as seen in the response to Trump's threats against Venezuela and the ICE killing in Minneapolis. The decisive question is that this movement must be led by the working class, organized independently and acting in opposition to the entire corporate political establishment. The fight against war and dictatorship must be consciously connected with the struggle against their roots in capitalism and social inequality.



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