

The Jobs Crisis and What to Do About It

On November 17th, a coalition of trade unions, civil rights, women's and many other progressive organizations came together to discuss and adopt an "Urgent Call for Action to Stem the US Jobs Crisis." A 5-part approach that mirrors the AFL-CIO position on a jobs program was embraced. It calls for large-scale job creation in public and private sectors, additional aid to state governments in crisis, extension of emergency relief programs for the unemployed, and investment in infrastructure and tax credits.

"If we act quickly, a jobs program could put millions of people to work in 2010," said Deepak Bhargava of the Center for Community Change, one of the sponsoring organizations at the Nov 17th program.

Wade Henderson of the Leadership Conference on Civil Rights called the jobs crisis the "civil rights issue of our time." Much discussion centered on those hardest hit by job loss. Nationwide, the official unemployment rate reached 10.2% in October. For African Americans it is 15.7% and for Hispanic workers, 13.1%. The unofficial unemployment rate is much higher. The NYT estimated over 17% unemployment.

The Obama administration's economic stimulus funds will run out in 2010 and another 900,000 jobs lost is expected as a result. A second much larger stimulus is needed.

The Committees of Correspondence for Democracy and Socialism stands with all progressive forces in the political struggle to force Congress to adopt the 5 point program to reverse the job losses and to win a second round of stimulus funding. The right wing in both the Republican and Democratic parties will fight this program vigorously.

The modern world economy is based on jobs and income. Human beings spend the better part of their lives struggling to earn a wage to produce and reproduce life. When jobs and income are threatened, life is threatened.

The recent job losses follow a 30 year decline in real wages. With global, national, and personal debt at all time highs, traditional economic stimulus policies targeted to revive the financial sector have not helped working people recover from the recession. The crisis is driven by government policies that have rewarded corporate piracy and greed and exacerbated the normal boom and bust cycle of "free market" capitalism. Only a far more radical jobs program can stem the tide of the job crisis at home.

CCDS offers the following jobs program for discussion, one that would generate 5 million new jobs a year for the next ten years. This would double the number of jobs required by normal population growth and thus draw into the formal labor force 25 million of those now unemployed or underemployed. The ultimate goal of this program is full employment at a living wage. Jobs would be provided by a massive, federally organized and publicly-funded restructuring of our social and physical infrastructure: schools; health care facilities; mass transit; housing; child and elder care facilities; cultural and recreational

facilities; parks and sports centers. In short – we call for the rebuilding of our communities along with the construction of new “green” industries.

- The jobs provided would be permanent at union wage scales providing at least an annual after-tax pay of \$30,000 free of discrimination in wage scales. Workers would be guaranteed the right to form trade unions and worker associations of their choosing without management interference. Working conditions and wage increases would be determined through collective bargaining.
- This program would be organized through a mixture of publicly-run enterprises, private businesses and non-profit organizations, and worker cooperatives whichever was most practical and efficient in a given industry.
- This program would include vigorous affirmative action to guarantee job opportunities to African Americans, Latinos, Asian-Pacific Islanders, American Indians and youth, particularly in the urban centers that have been devastated by job losses and unemployment.
- The rights of immigrant workers are integral to the rights of all at the workplace. This jobs program calls for “legalization” for all who work, an end to raids by Immigration and Customs Enforcement (ICE), and a halt to firings on the basis of Social Security “no match” letters.
- This program would be financed in the following ways: transfer half of the annual U.S. trillion dollar military expenses to the jobs program; substantially increase the tax on both the income and wealth of the top 1 percent; levy a significant tax on the profits of major corporations with tax rebates going to those who participate in the job creation program; a tax on financial transactions; and close the tax loopholes and shelters that allow corporations and the wealthy to avoid paying their fair share of taxes.
- Steps would be taken to reverse our unsustainable current account deficit that is accelerated by capital flight to avoid tax and wage burdens. This should be done in the context of support for fair trade, with restrictions against repressive labor practices and against US dumping goods at below cost on foreign markets to undercut local production in those countries.
- In short, we need a Full Employment Act (in the tradition of the Employment Act of 1946 and the Humphrey Hawkins Act of 1978). In addition some of the above provisions can be struggled for in legislation that should be put forward in 2010 by progressive forces. We need legislation to guarantee jobs paying a living wage, providing adequate health and retirement benefits, requiring safe work places, and defending worker’s rights to form trade unions.

We welcome your comments and responses.

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