

More Layoffs in America: No Letup in Attack on Jobs

By <u>Barry Grey</u> Global Research, March 12, 2010 <u>World Socialist Web Site</u> 11 March 2010 Region: <u>USA</u> Theme: <u>Global Economy</u>

A rash of new layoff announcements and government reports on job losses give the lie to the claims of the Obama administration and the media that the employment situation is "stabilizing." Last Friday, the administration hailed the Labor Department's report that US payrolls shrank by "only" 36,000 jobs in February and the official jobless rate remained at 9.7 percent as proof that its policies are working and the economy is recovering.

In fact, the so-called "recovery" is limited to the big banks and major corporations, which are profiting from trillions of dollars in taxpayer bailouts, virtually unlimited and cheap credit, and the use of mass unemployment to drive down wages and increase the exploitation of the working class. An unprecedented assault on the living standards of the vast majority of the American people is being carried out under the direction of the Obama administration, creating a social crisis without parallel since the Great Depression.

On Tuesday, the Labor Department reported that the official unemployment rate in January rose in 30 states. Sixteen states had jobless rates higher than the national average of 9.7 percent, including Michigan (14.3 percent), Nevada (13 percent), Rhode Island (12.7 percent), South Carolina (12.6 percent) and California (12.5 percent).

Unemployment in California, Florida, Georgia, North Carolina, South Carolina and Washington DC rose to the highest levels since records began in 1976.

A separate Labor Department report showed that mass layoffs (50 or more positions) increased nationally in January to 1,761, leading to at least 182,261 workers losing their jobs.

On Tuesday, Chevron, the second largest US oil company, announced it will cut 2,000 jobs, or more than 3 percent of its workforce. This follows a reduction of 2,000 jobs in 2009.

Exelixis, a company in South San Francisco, said it will lay off 270 workers—40 percent of its work force.

The Minnesota Department of Human Services announced a cut of 200 full-time mental health jobs.

These are only the latest in an ongoing wave of layoffs hitting every sector of the economy. Alongside job-cutting by private corporations, hospitals and state and local governments are shedding jobs at an accelerating pace in response to gaping budget deficits.

The American Medical News web site reported 13 mass layoffs at hospitals in January affecting 995 workers. Mass hospital layoffs announced in February included over 300

workers at St. Vincent's Hospital in Manhattan, 268 full-time jobs at Forrest Park Hospital in St. Louis, and some 900 jobs at Jackson Medical System in Miami.

This week, the CEO of the Jackson system in Miami announced plans to close two hospitals and eliminate another 4,500 jobs—37 percent of the system's workforce.

The overall workforce at US airlines shrank 3.2 percent in January compared to a year earlier, the US Department of Transportation announced Wednesday.

Across the US, in big cities, small towns and rural areas, schools are being closed and teachers laid off, college tuition is being raised and courses cancelled, bus routes—including school buses—are being eliminated, libraries are being closed, parks, swimming pools and other recreational and cultural facilities are being mothballed.

Utility shutoffs, with the inevitable consequence of deadly house fires, home foreclosures, hunger and poverty are rising.

The Obama administration and the Democratic-controlled Congress are doing nothing to provide serious relief for the unemployed or create new jobs to employ the jobless. They refuse to bail out cash-starved states and cities, having bailed out the banks to the tune of trillions of dollars, instead demanding that local governments carry out unprecedented attacks on basic social services.

The real attitude of Obama toward the working class was demonstrated in his public support for the mass firing of teachers in Rhode Island, after they resisted demands for longer work hours with no increase in pay. This goes hand in hand with a health care overhaul entirely focused on cutting Medicare and rationing health care for ordinary Americans, and the setting up of a bipartisan commission to prepare major and permanent cuts in entitlement programs—Medicare, Medicaid and Social Security—on which tens of millions of working people depend.

The administration and both parties reject out of hand any measures opposed by the banks and corporations—such as a public works program—to provide jobs for the unemployed. The so-called "jobs" bills working their way through Congress are nothing more than tax windfalls for business.

The assault on every aspect of life of working people is being carried out in the interests of a bankrupt system—capitalism—a system that subordinates social needs to the personal enrichment of a wealthy elite. In the US and around the world the corporate-financial elite is imposing brutal austerity measures to make the working class pay for the crisis of the profit system.

The trade unions function as adjuncts of the ruling class, devoting all their efforts to the suppression of popular opposition in return for a share in the spoils from the exploitation of the workers.

Anger and resistance are growing, not only in the US, but internationally. Over the past several weeks, strikes and mass protests have broken out across Europe in opposition to government austerity measures, dictated by the banks.

On March 4, tens of thousands of students and workers demonstrated in the US in opposition to education cuts. This was an initial expression of popular opposition that will

grow in the coming months. If this opposition is not to be diverted and led into a blind alley, however, it requires a new perspective and program.

The basic needs of working people and youth are incompatible with the policies of the Obama administration and both political parties, and the capitalist system which they defend. The entire working class must be mobilized as an independent political force against Obama and the two-party system to reorganize society in accordance with social needs, not private profit.

On April 17 and 18, the Socialist Equality Party, its youth movement, the International Students for Social Equality, and the World Socialist Web Siteare holding an emergency conference on the social crisis and war. This conference will discuss a new socialist strategy to unify the working class against war and the assault on jobs and social programs.

We urge all workers and young people looking for a way to fight back to attend the conference. For more information and to register, click <u>here</u>.

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