

The Wealthy are Bursting from their Financial Seams: The Struggle for a Workers' Recovery

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Stocks are booming; the Dow Jones soared past 11,000; the very wealthy are bursting from their financial seams. Meanwhile, mass unemployment continues, with 95,000 more jobs — mostly teachers — lost in September.

As millions of Americans sink into desperation, President Obama continues to preach the good word of optimism, based on the gospel of “private sector job growth.”

According to the President, the hundreds of thousands of public sector jobs that have been recently destroyed – due to the budget crises of nearly every state and municipality – should be overlooked, due to the “encouraging” job growth of the private sector.

For example, in September the private sector added 64,000 jobs (159,000 public sector jobs were lost in September). Even if there had been zero public sector job losses, adding 64,000 jobs would be only half what is needed to keep up with population growth.

Most importantly, the minuscule private sector job growth that the President keeps raving about involves low-paying jobs. For example, out of the 64,000 private sector jobs created, 34,000 were low-paying jobs at restaurants and bars, where pay is low and benefits are scarce.

This proves what most people already know: wages and benefits continue to spiral downward. Public workers typically make a living wage and have benefits, as opposed to those being hired at coffee shops or as dishwashers.

A giant shift is happening, with living-wage jobs in the public sector being axed for low-paying private sector jobs, with millions of unemployed to ensure that wages remain low; this is the basis of the corporate profit boom.

Jeannine Aversa of the Associated Press reports:

“There are now 14.8 million people officially unemployed in the United States.... People out of work who have stopped looking for jobs are not counted as unemployed... nearly 27 million are ‘underemployed’....” October 8, 2010).

http://news.yahoo.com/s/ap/us_economy

The threat of unemployment is used to coerce workers into accepting lower wages and preventing them from protesting abusive treatment or lack of benefits.

The staggering job losses in the public sector will only worsen as state budget crises are balanced on the back of teachers, social service workers, and other public workers. The lack of action to prevent this hemorrhaging must be viewed as a conscious and well-defined policy with a specific goal.

Public workers are the last stronghold in the U.S. labor movement; they are thus the strongest obstacle to the corporate agenda being implemented by both Democrats and Republicans.

According to the U.S. Bureau of Labor Statistics, 37.4 percent of public workers are unionized, as opposed to only 7.2 percent in the private sector. It's not surprising that the group with the highest unionization rates — local government workers (43 percent) — are being targeted the most (this group includes teachers).

<http://www.bls.gov/news.release/union2.nr0.htm>

Public sector unions are in the fight of their lives, and they're losing because they have one hand tied behind their back. For example, the Democratic Party is spearheading the fight against public employees; yet these unions continue to support this corporate party.

Also, public sector unions have not joined together in coalitions — as they do in Europe — to fight back collectively. Divided, they are far less powerful, since the corporations and their government are tightly united for the unions' destruction.

The massive One Nation demonstration in Washington, D.C. proved that unions and other progressive groups can unite under a set of demands. But uniting for one demonstration is not enough.

The labor movement and labor's allies plus other progressive groups must unite locally and nationally to fully fund education, social services, and to institute a massive public works program to employ all the unemployed workers in the country. Such demands require that taxes be raised on the wealthy and corporations and that the unwinnable wars in Iraq and Afghanistan end immediately.

The vast majority of working people support these ideas, considered too "radical" by the Democrats and Republicans.

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