

US Unemployment to Exceed 40% by End of April?

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Official US Bureau of Labor Statistics (BLS) numbers have been rigged since the neoliberal 90s to conceal the dismal state of the US labor market.

New millennium low unemployment in the US is a myth.

Based on how unemployment was calculated in the 1980s, the real rate exceeded 20% before the dual economic/public health crisis.

The official pre-crisis BLS sub-4% U-3 number is state-sponsored deception. The data are corrupted as follows:

Millions of discouraged workers are excluded from monthly reports, treated as nonpersons, individuals wanting work, giving up after failing to find it — the numbers sure to skyrocket ahead.

The Labor Department's so-called "birth-death model," estimating net non-reported jobs from new businesses minus losses from others no longer operating, is deception to add jobs that may not exist.

The BLS assumes workers from non-operating companies are employed elsewhere. From 30 – 50,000 more jobs are added monthly, assuming new business creations whether or not they exist.

The BLS admits misreporting, saying "(t)he confidence level for the monthly change in total employment is on the order of plus or minus 430,000 jobs."

In more normal times, headlined monthly unemployment numbers conceal the US job market's deplorable state.

Since the neoliberal 90s, the state of America's economy has been dismal for its working class, struggling to get by.

Most jobs created are low-or-poverty-wage, poor-or-no-benefit temporary or part-time ones. Most households need two or more to survive.

For growing millions today, it's a life and death struggle. If unemployment benefits run out and no substantial federal relief comes to the rescue, millions of Americans won't have income to feed their families, pay rent, service mortgages, cover medical bills, and obtain other essentials to life.

Until the current dual crisis erupted, America's privileged class never had things better.

Throughout most of the new millennium, ordinary Americans have endured protracted Depression conditions — now deepening because of what's going on.

Economist John Williams reengineers US government data, based on how it was calculated in the 1980s.

He estimated that US unemployment could reach 43% in April. At the height of the 1930s Great Depression, it was around 25%.

He believes another Great Depression is unfolding in real time, the worst to come as socio-economic turmoil is just beginning.

"Extraordinarily unstable circumstances continue in the global markets," he stressed, adding:

"Economic, financial market, and political turmoil likely have just begun, despite ongoing, massive systemic manipulations and interventions."

"Collapses loom for (the US) first and second quarter GDP." The state of the nation for its ordinary people is coming apart at the seams in unprecedented fashion.

If looming US economic Depression looks like a duck, swims like a duck, and quacks like a duck, then it likely is one — the so-called duck test.

In the last two weeks, an unprecedented 10 million US workers filed new claims for unemployment benefits.

The previous single-week high was 695,000.

Layoffs continue, millions more US workers to be laid off or furloughed by employers.

Beleaguered Boeing offered buyouts to its entire 161,000 workforce, the once bellwether US company perhaps close to bankruptcy without far more federal aid than offered.

Before current crisis conditions end, Americans will understand what they're all about far better than textbooks or expert talking heads can explain.

Living through them creates awareness more keenly than any other way.

With most Americans living from paycheck to paycheck in more normal times, public angst, misery, and desperation ahead may be unprecedented.

Economist Mark Zandi estimates that about 15 million US mortgage holders could stop servicing them if current conditions continue throughout the year.

Tens of millions of Americans are hunkered down. Shops along Chicago's upscale Magnificent Mile are closed and boarded-up to prevent looting.

Where visible, merchandise was removed from windows. Round-the-clock lighting and alarm systems also protect them.

Security guards man empty/enclosed shopping malls. Some upscale retailers like Tiffany, Gucci, Dior, Versace, and others emptied their stores of merchandise to protect it. Police provide more protection.

Nearly 300 million Americans are under some form of lockdown in 38 states, the District of Columbia and Puerto Rico — about 90% of the US population, perhaps heading for mandating it nationwide.

The order excludes going out for food, prescription drugs, medical appointments, and what else is essential like caring for elderly relatives.

With most people sheltering in place at home, farmers may be hard-pressed to find workers needed for planting and harvesting crops.

A similar scenario exists abroad, risking less food, possible rationing, and higher prices ahead — unless price controls are instituted as during WW II because of shortages, much of the output in the US and other countries going to the war effort.

If things play out this way in the months ahead, poor, low-income, and even middle-income households will be hard-pressed to make ends meet.

The worst of scenarios would mean unprecedented hard times.

During WW II I remember as a young boy in grammar school, I was well fed and clothed, deprived of nothing I recall at a time of rationing except my favorite bubble gum, nearly all of which went to US military personnel.

Things now are different with much of the economy shutting down or heading in this direction at a time when most households have little or no savings and consumer debt is at an all-time high.

There's high risk of many thousands of mostly small, but some medium-and-large-size businesses as well, shutting down and not reopening when the coast is clear.

Before current crisis conditions erupted, millions of US households were and remain food insecure.

Feeding America calls itself “the largest hunger-relief organization in the United States including in disasters and national emergencies,” adding:

“The most vulnerable people in our communities need us now more than ever.”

The organization launched a COVID-19 Response Fund, “a national food-and fund-raising effort to support people facing hunger and the food banks who help them.”

It's working with school districts and government agencies to supply “school meals (for children) outside of” classrooms.

It's trying to build an inventory of food supplies. Along with likeminded efforts nationwide, Feeding America faces unprecedented challenges in the current environment.

A decade ago, around 50 million Americans were food insecure, according to the US Department of Agriculture, the number lowered to 37 million in 2018, the true number likely higher.

If dire economic conditions continue throughout year or longer, the number could increase two-or-threifold.

Feeding America explained that “(f)ood insecurity does not exist in isolation, as low-income families are affected by multiple, overlapping issues like lack of affordable housing, social isolation, chronic or acute health problems, high medical costs, and low wages” — and, of course, unemployment that already skyrocketed and heads higher.

A Final Comment

After the October 1929 stock market crash, prelude to the Great Depression, Herbert Hoover, in March 1930, said:

“We have passed the worst...(D)uring the next 60 days,” things will begin normalizing.

In his book titled *Lords of Finance*, Liaquat Ahamed said

“when the facts refused to obey Hoover’s forecasts, he started to make them up.”

Government agencies were pressed to issue false data. Some officials refused and resigned, including head of the Labor Department’s Bureau of Labor Statistics.

Judging him by his rhetoric and actions, Trump is a modern-day Herbert Hoover.

Weeks earlier claiming COVID-19 outbreaks would abate, not rise, he added that “(w)e’re going very substantially down, not up.”

With global outbreaks exceeding one million, the US is by far the most adversely affected country with around one-fourth of the world total.

It’s largely because of Trump regime indifference to growing national crisis conditions — states and local communities left mostly on their own to cope.

Limited federal aid is offered when mountains of it are needed, especially for hardest-hit areas like NY, especially NYC with around 93,000 reported cases.

A state of emergency exists in city hospitals overrun with infected patients.

ER Dr. Darien Sutton explained that “(i)t almost seems like it’s never stopping. People keep coming and coming and coming, and there’s just no space to put them.”

Medical staff are exhausted from trying to cope with an untenable situation. On the front lines of providing treatment, they’re highly vulnerable to infection.

Who’ll treat the sick if many medical professionals join their numbers?

One NY doctor expressed what countless others feel, saying: "It is terrifying. It is really terrifying."

Instead of going all-out to help beleaguered states and cities, Donald (Herbert Hoover) Trump continues to ignore growing needs nationwide, instead saying:

The economy will "pop back like nobody's ever seen before." Echoing DJT, Mnuchin made similar comments.

Serving monied interests and themselves exclusively, they, other regime officials, and most congressional members are indifferent to the health, welfare, and fundamental rights of ordinary people everywhere.

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