

US Senate passes token bill to restore long-term jobless benefits

By Barry Grey
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The United States Senate on Monday passed a bill that would, if approved by the House of Representatives, revive the program of federally-funded cash benefits for the long-term unemployed that expired last December 28. However, the bill, which faces a highly doubtful fate in the Republican-controlled House, would extend the federally-funded program only through May of this year, after retroactively restoring an estimated \$5 billion in benefits to some 2.8 million laid-off workers.

The absurdly narrow scope of the measure, under conditions of near-record long-term unemployment in the US, reflects the cynical political calculations that underlie it. The Obama White House and congressional Democrats are seeking to use the desperate plight of jobless workers, for which they are no less responsible than the Republicans, to pose as “progressive” advocates for the “middle class” and poor, doing battle against the anti-“middle class” Republicans, in the run-up to this year’s congressional elections in November.

At the same time, they are proposing no serious measures to provide relief for the tens of millions of workers who face declining wages and permanent economic insecurity, or the growing ranks of the poor and unemployed. Moreover, they are joining with the Republicans to impose drastic cuts in food stamps and other social programs that benefit the working class.

The Senate bill was approved by a vote of 59 to 38, with all of the Democrats present joined by 6 Republicans who broke ranks with the party leadership, which opposed the measure. The \$10 billion cost of the stopgap measure would be covered by imposing a regressive customs user fee on air travelers and allowing corporations to delay paying into their pension plans. The latter measure, euphemistically

called “pension smoothing,” would increase taxable corporate income while further draining pension funds and laying the basis for new attacks on retiree benefits.

The bill would also impose more onerous conditions on recipients, including stiffer job training requirements for those receiving benefits.

The very fact that a token extension of cash benefits to millions of unemployed workers and their dependents—including 1.2 million children—is presented by the president as a major “reform” and becomes a point of political controversy highlights the extreme rightward lurch of the entire political establishment and the anti-working class consensus that drives it. In previous post-World War II recessions, emergency federal benefits for the long-term unemployed were enacted almost as a matter of course.

Moreover, the White House and the Democratic Party are directly responsible for the expiration of benefits during the Christmas holiday season. They took the step that sealed the fate of the federal program when they removed its extension as a precondition for the two-year budget deal they reached with the Republicans in December. That budget continues the austerity policies that have already slashed trillions in social spending.

Obama released a statement after the Senate vote in which he acknowledged that 70,000 people are losing jobless benefits every week. Congress stalls in reviving the emergency program, and then presented the derisory Senate bill as a major step in “expanding opportunity for all Americans.” Last year, when Obama began his pseudo-populist effort to portray his administration as “progressive” and “pro-middle class,” he declared that he would devote the rest of his term to fighting the growth of economic inequality in the US.

He quickly abandoned the rhetorical focus on “inequality,” however, having been advised that such a slogan was too politically dangerous in a country where the concentration of wealth—heightened as a result of his own pro-corporate policies—had generated deep and broad popular anger. Instead, he has taken to talking about “expanding opportunity.”

Already, as a result of cutbacks in the jobless benefits program proposed by the White House and backed by both parties since 2011, the share of long-term unemployed—those actively looking for employment who have been out of work for more than 26 weeks—receiving the benefits had fallen from two-thirds in 2010 to only one-third when the program expired in December.

According to the Labor Department jobs report released last Friday, there were officially 3.7 million long-term unemployed people in March. That figure is three times higher than in 2006. Nearly 36 percent of the unemployed have been out of work for more than 26 weeks, three times the average between 1948 and 2008. The mean duration of unemployment is more than 35 weeks, up from 16.9 weeks in 2006. State governments provide jobless benefits for a maximum of 26 weeks, and a growing number of states are shortening the period of eligibility.

Republican House Speaker John Boehner responded to the Senate vote Monday by reiterating his opposition to any bill to restore the benefits that does not include various Republican-backed initiatives. These include the Keystone XL oil pipeline and changes to Obamacare, such as raising the definition of full-time workers from 30 to 40 hours per week and scrapping a tax on medical devices. He is broadly hinting that he may refuse to bring the Senate bill before the House for a vote.

A group of seven Republican House members from high-unemployment states in the Northeast and Nevada released a letter after the Senate vote asking Boehner to allow the measure to be voted on in the House, where it would likely pass due to Democratic support.

In any event, the White House and congressional Democrats are far more interested in using issues such as unemployment pay, the minimum wage and equal pay for women as political footballs in the run-up to the November elections than they are in actually getting such measures passed. On Tuesday, Obama followed

up the Senate vote with a White House appearance in which he touted his “fairness agenda” and announced two very marginal executive actions that he said would help women achieve equal pay for equal work.

The first prohibits federal contractors from retaliating against employees for discussing their pay rates. The second requires federal contractors to provide the Labor Department with pay data broken down according to gender and race. Neither of these measures will affect the overwhelming majority of women workers.

The Democratic-controlled Senate is expected to introduce a bill to strengthen the 1963 Equal Pay Act this week, and a bill to raise the minimum wage to \$10.10 an hour next month. Neither are expected to be passed by the Senate, let alone the House.

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