

Jobs for All, Legalization for All, a Massive Public Works Program

Why these demands now?

By Eric Lerner and Lili Gomez

Today, in the United States and around the world, the working class faces a rapidly deepening crisis of mass unemployment. One in six workers in the US is unemployed, while in the African-American and Latino communities, one in four is out of work. Almost no country in the world has escaped this crisis and in some countries, like Spain, the scope of unemployment is far worse. Unless the steady rise in unemployed can be stopped and rolled back, the threat of layoffs will be used by both public and private employers to force workers to accept massive cuts in wages, pensions and working conditions. Such cuts will in turn slash consumption, pushing the global economy into deeper depression and sending unemployment soaring in a never-ending spiral. Jobs are therefore the central issue today for all workers, employed and unemployed.

Workers have begun to respond to the cuts in wages and living standards, and in some cases to the layoffs, with mass protests and even, as in Greece, one-day general strikes. These are essential steps. But so long as the protest demands are limited to stopping the cuts, stopping the layoffs, they will fail to do more than slow the rate of decline. **To stop and reverse the layoffs we have to formulate demands that say what we are FOR, not just what we are against, that say what is our solution to the jobs crisis.**

Since the crash of '08, the experience of the “stimulus” and “bailout “ plans by governments around the world have shown clearly that the private sector cannot be begged or bribed to produce jobs, no matter how many trillions governments hand to the corporations. The private sector is still destroying jobs, and the bailout money is flowing straight to the pockets of the few tens of thousands of fantastically wealthy shareholders who own these corporations. So long as the markets continue to contract, so long as austerity plans spread across country after country, corporations have no reason to hire new workers. There are no new Chinas out there to open up new markets. The bailouts and the austerity plans are nothing but machines to funnel trillions from worker’s pockets directly to capitalists’ bank accounts.

Yet there is plenty of work to be done. Tens of millions of jobs are needed to build houses, schools and hospitals, to clean up the Gulf and other environmental disasters, to repair the crumbling infrastructure and to greatly expand essentials services. **The only way to create jobs and to end the unemployment crisis is to reverse the flow of wealth from capital to labor, to have governments directly hire millions of workers for massive public works program to fill these**

social needs, financing this program by taxes on capitalist and corporate wealth.

Therefore the demand for a massive public works program, with direct government employment,

at prevailing wages must be a central demand of workers today. **This is the way—the only way—to provide jobs for all.**

On July 14, 2010, the California Federation of Labor, the largest state union federation in the US, adopted a resolution supporting this demand for a massive public works program. While there is a big difference between resolutions and actual action, the unification of the working class behind this demand is now a priority for activists not only in the US but everywhere.

Here in New Jersey, where the authors organize, this demand for a public works program has been endorsed by several immigrant and community groups-- and it has become the demand of other groups around the country as well. In this campaign, we have linked the demands of Jobs for All, a Public Works Program to the demand of **Legalization for ALL**. We have set up a NJ Jobs for All Campaign organization to unite immigrant rights, community and anti-war groups, unions and others behind these demands. *We call on activists to set up such Jobs for All Campaigns everywhere and to coordinate their activities on a national and even international scale.*

Jobs and Legalization are linked

Why do we link the demand for Jobs for All to the demand for Legalization for All? Quite simply because you can't get one without the other. Today in the US, millions of workers in the two communities most affected by unemployment—African-Americans and Latinos—can't get government jobs. For Latinos, it is because millions are undocumented immigrants. For African-Americans it is because the racist justice system has given millions conviction records that bar them from government—and many other –jobs. To get jobs for ALL we need legalization for all so that everyone in this country has the right to work here. This means immediate legalization without exception for the undocumented and opening up of jobs for those with past convictions. Unless these two communities can participate fully in a public works program, the movement for such a program will be fatally weakened. To get power, we need unity.

This is true not just in the United States, but everywhere--immigrant workers must be an integral part of the movement for a public works program. In nearly every country the undocumented status of millions of immigrants allows employers to exploit them, pushing down wages and working conditions for ALL workers. Only legalization for all can end this and only legalization can integrate immigrants into the fight for a public works program.

But equally, immigrants can't win legalization without at the same time helping to build a movement for a public works program, for jobs for all. Today, with rising unemployment, governments and political parties are trying to pit native-born and immigrant workers against each other, competing for the same shrinking number of jobs. Only a movement that demands jobs for all, and shows how that can be practically achieved, has a chance to unite immigrant and native-born workers into a force that can win.

What is a Public Works Program?

So what is a public works program? The aim of a public works program is not merely to create jobs, but equally important it is to produce the goods and services that the working class so badly needs

—to provide decent affordable housing for all, to provide free higher education for all, to greatly improve education at all levels, to provide quality health care for all, to provide modern, rapid mass transportation, to clean up the environment and to research, develop and produce new, cheap, clean sources of energy. There is vast work that needs to be done not just by construction workers, but by factory workers, by teachers, nurses, doctors, engineers scientists and artists.

In every country in the world there are vast unmet social needs. Filling them will easily absorb those who are now out of work. For example, in the United States, less housing has been produced for decades than is needed to keep up with population growth and the decay of older housing. Eliminating the shortage of 10 million units of housing over a decade will alone create 2.5 million new jobs. In education, class sizes have to be radically reduced to give a quality education to all. In addition, far more people would attend college if they could afford it, so making college free, as it is in some countries today, would require a major expansion and the hiring of tens of thousands of professors. Together this program would create 6.5 million jobs.

Filling other urgent needs—adequate mass transit systems in every major city, rebuilding our bridges, tunnels, and flood control systems, building new hospitals, cleaning up capitalism's many messes like the recent Gulf of Mexico oil spill and finally providing the resources to create new clean energy sources will, we can estimate, create another 5 million jobs, for a total of 14 million direct government jobs (see Table 1) For each government job created, money will flow into the rest of the economy because these workers will be spending far more money than they did when they were unemployed. This additional effect will probably create at least one indirect job for each direct government job. So the program as whole could create 28 million jobs—about the same as the number of unemployed in mid-2010.

Can it be done?

Could this actually be done? Well we know it was done—in the last Great Depression, a working-class mass movement forced the government to institute massive public works programs in the United States—the Civil Works Administration (CWA) and the Work Progress Administration (WPA). The Civil Works Administration, begun in the fall of 1933, lasted only four and a half months. Within the first week of its operation, it employed 1.1 million workers and employment peaked at 4.2 million. The total cost of the project was \$30 billion in 2006 dollars.

CWA was able to accomplish so much in so little time because it was based on direct government employment. No contracts were let, no contractors involved—the government

employed the labor directly—at union wages. Getting rid of the contractors was vital then and is again today. Contractors and their subcontractors absorb at least two-thirds of the money governments spend on projects today, leaving less than a third for wages for workers. In addition, there are huge delays in the contracting process. Direct government employment ends both problems, with no dollars going to profit. And if the government got things done quickly in the 1930's and again in World War II, where entire factories were built—by the government—in six months or less, it can do things equally fast today.

The CWA enraged the corporations and political pressure caused the Roosevelt administration to terminate it. However, a militant and growing movement of unemployed workers forced the government to again institute a giant jobs program—the WPA. Unlike CWA, WPA did not provide union wages and workers had to battle constantly to raise wages and to preserve the program itself.

On the other hand, WPA lasted six years, not four and half months, so its accomplishments were on an even grander scale: 600,000 miles of highway, 116,000 bridges, 5,600 new schools, 30,000 new public buildings, countless parks and recreation areas. Again no contracts—with their profits and corner-cutting—were involved. The quality of the work is evident today, 70 years later, in nearly every community in the country. The WPA did not only build things, it employed artists, actors, and musicians to paint murals, put on plays, and concerts. It hired historians to create local histories, photographers to document the Depression. It mobilized the talents of eight million workers—in a country with less than half the USA's present population.

Workers in the 1930's fought to get a prevailing wage on these projects and workers need to demand the same today. The public works wages can't undercut other wages—rather they should set the standard, bringing up other wages to that level.

Take back the money

But the politicians and critics say: “there is no money for such a huge public works program.” Indeed, such a program would be expensive. As shown in table 1, such a program for the US alone would cost \$1.5 trillion a year. However, to say the money is not there is just a lie. The money is there—the capital and their corporations have it and they stole it from us. **We need to take it back.** Over the last 35 years, nearly 20% of national income in the US has been transferred from workers to capital—and much the same has happened the world over. Before, nearly 60% of national income went to workers wages, 40% to capitalist profits and managers' income. Now it is 60% to capital, 40% to labor. Put another way, 20% of all income has been transferred to the richest ½% of the population.

There are many ways that it can be taken back. For one, the destructive wars in Iraq and Afghanistan have to be ended immediately. All the vast sums that now go to armaments production and development have to be re-directed as well, along with the vast productive resources involved. For the arms industry wastes not just money but the brains of millions of

skilled workers, scientists and engineers and the most advanced and productive factory machinery in the US. Those resources can be redirected to the tasks of the public works program.

Second, the stolen money has to be returned—a tax on the banks to take back the bailout trillions, a tax on oil companies to retrieve the trillions stolen in price increases, and most important a tax on the capitalists' wealth itself. Working people in the US pay 3% and 4% of the value of their homes in property taxes, but the stock and bonds of the rich are untaxed. A modest 5% annual tax on the wealth of those who have financial assets above \$2 million dollars would alone raise \$1.2 trillion a year, 80% of the cost of a public works program. Together these measures, as shown in Table 1, would raise more than \$2 trillion a year, enough to substantially close the US federal budget deficit as well. In other countries, very similar figures can be arrived at.

Finally, in many countries, the budget is drained by debt payments to the banks. But the private financial system is bankrupt—it is kept afloat only through huge government bailouts. Private finance today operates only as a giant black hole soaking up money. We must demand the **Socialization of Finance**—state ownership of ALL finance, and running the state institutions democratically. This would wipe out the debts and free that money for social needs.

These are just some ways of taking the money back. Others can be suggested. The key thing is that the money comes from *them*, the capitalists—not from *us*, the workers.