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At the beginning of 1991, few believed a bill to extend unemployment benefits could even get to the floor of Congress. By August, Congress passed an extension of Unemployment Insurance (UI) benefits, but President Bush refused to fund it. (At a $1,000-a-plate Republican fundraiser he described the plan as “garbage.”) In October, Congress passed a similar bill and Bush vetoed it. In November, Congress passed another bill with essentially the same benefits—and Bush signed it.

Unemployment has become an issue that the powers-that-be can no longer ignore. It creates intense daily pain for ten million workers and their families and represents a classic failure of the system to meet people’s needs and expectations. It is largely responsible for the collapse in consumer confidence, the plunge in Bush’s poll ratings, and the unexpected defeat of Bush’s stand-in Richard Thornburgh in the Pennsylvania Senate race in November.

The new UI legislation covers only a small proportion of the unemployed, and it expires early this summer. Republican Senate leader Bob Dole predicts more disputes on the issue “next time we bring this up, in June.” Unemployment is again becoming a crucial issue for advocates of change, both in the national political arena and at the grassroots.

End Of The Boom

By the end of 1990, the ills of the Reagan boom—deindustrialization, infrastructure depletion, economic and social insecurity, community decay, and impoverishment of the workforce—were being compounded by the typical ills of recession. Official unemployment approached 7 percent; including involuntary part-time workers and discouraged workers no longer even looking for work, the figure comes to nearly 11 percent—nearly 16 million workers. Only massive Federal subsidy prevented savings and loan and banking crises from closing down the financial system. Government officials denied the existence of a recession as long as they could, then hailed any uptick in any economic statistic as proof that it was over.

The number of people directly affected by unemployment has risen steeply since the beginning of 1990. In an April 1991 poll, nearly half of Americans said they were finding it harder to make ends meet because of the recession. 58 percent knew someone well who was currently out of work. Three out of ten—and five out of ten blacks—said they had been out of work in the past year. Even if there is a sustained economic recovery, unemployment is likely to remain high for a long time; after the last three recessions, it took three years or more for official unemployment to fall below 6 percent.

Impatient Armies Of The Poor

Recessions and depressions have been a regular feature of economic life since the rise of capitalism. Impatient Armies of the Poor, a fascinating new study of unemployed movements written by an unemployment activist of the 1930s, shows that in every major U.S. recession since 1808, unemployed people have organized to demand jobs and assistance until they found jobs. Their action—and the hardship that provoked it—has frequently been a motive for economic change.

In the early years of the Great Depression of the 1930s, the unemployed were often described as passive—blaming themselves and hoping a job would turn up. As the Depression deepened, many tried to create a counter-economy: a Seattle Unemployed Citizens’ League, for example, established 22 locals throughout the city, each with its own commissary at which donated food and firewood were exchanged for the services of barbers, seamstresses, carpenters and doctors. Unfortunately, commissaries needed food and carpenters required wood: when the materials that could be begged, borrowed, or stolen petered out, self-help mutual aid.

Then people in hundreds of cities formed Unemployed Councils and Leagues and turned to direct action. One organizer recalled, “Many times, the Councils started at a meeting in which it was proposed that delegations be sent to City Hall or to the state assembly—demanding food and work. These committees would come back and report to their community. There followed the idea of hunger marches. To city halls, to city councils. I led one of a few thousand into Uniontown. The city council and the mayor came down and called a meeting. They immediately voted $6,000 for relief.”

The Unemployed Councils directed their demands to every possible target that had resources or could be held responsible:

- Employers. The unemployed demanded that local employers contribute to relief, cut working hours to share available jobs, and keep wages at an acceptable level.
- Social Service Agencies. The Councils sent delegations to assist applicants for aid, demonstrated at agency offices when their rights were denied, and protested unacceptable conditions in welfare facilities.
- Local and State Governments. The unemployed movements used both political pressure and direct action to win better aid levels, public works jobs, and halts to evictions and foreclosures. When families were evicted, the Councils often organized the neighbors to move the evicted back into their homes.
- Federal Government. The Unemployed Councils demanded Federal programs for Unemployment Insurance, Social Security, and public employment for the unemployed. These demands were supported by local demonstrations and national hunger marches designed
to dramatize the needs of the unemployed.

The militancy of the unemployed movements seemed to forebode a great upheaval threatening the whole distribution of wealth, power, and privilege. They were often met by billy clubs and tear gas, but they also won many concessions. Anti-eviction actions, for example, led to a suspension of all evictions in many cities, and relief levels were substantially higher in cities with strong Unemployed Councils.

The threat represented by the organized unemployed forced the political system to recognize that unemployment was not just an individual but a social problem, and that society had a responsibility to provide for the needs of those who were unemployed through no fault of their own. By 1933, note Frances Fox Piven and Richard A. Cloward in their book Poor People's Movements, "Driven by the protests of the masses of unemployed and the threat of financial ruin, mayors of the biggest cities of the United States, joined by business and banking leaders, had become lobbyists for the poor." The Federal government took over responsibility for relief and by the winter of 1934, more than 20 million people were on the dole. This was followed by public employment programs like the WPA which put millions of unemployed to work in services and construction projects designated by local communities. More lastingly, the concept of public responsibility was embodied in the "safety net" programs of the New Deal, such as unemployment insurance, social security, and public assistance.

Clipping Vulture Wings

The deep recession of the early 1980s led to a resurgence of unemployed organizations around the country. For example, in the hard-hit Pittsburgh "Mon Valley" steel region, rank and file activists in the steel union locals initiated unemployed committees at six U.S. Steel plants, then opened them to include all unemployed workers in the region. The committees organized major coalition actions around unemployment benefits, health care, and foreclosures. Twenty five hundred unemployed steelworkers marched through the streets of downtown Pittsburgh demanding extended unemployment benefits.

In 1982, Unemployed Committees in the Pittsburgh area developed an effective way to save homes when laid-off steelworkers couldn't pay their mortgages. If the bank wouldn't negotiate a settlement with the homeowner, they would call the press and then picket the bank branch. If the bank foreclosed and told the sheriff to auction the house, the unemployed packed the courtrooms during the sheriff's sales. Jim Benn, one of the organizers, recalls, "An Unemployed Committee member stood behind each bidder. Whenever they made a bid a member would dangle a cutout vulture over their head. This would be accompanied by a blinding flood of media camera flashes. The sheriff eventually announced that the sheriff's office would hold no more sales."

That effectively ended foreclosures in Allegheny County. Unemployed groups then won state legislation creating a special loan fund for people who could not meet mortgage payments due to economic conditions beyond their control. (In 1991, the state threatened to end the program, but a campaign of letters and calls to legislators by unemployed people and churches, unions, and housing agencies saved it.)

Similar groups developed in other industrial areas. In Baltimore, for example, the United Committee of Unemployed People, formed when Reagan cut UI benefits, pressured the state of Maryland to establish its own extended benefit program. In 1982, unemployed groups around the country formed the National Unemployed Network which coordinated action around unemployment insurance and other issues.

The realization that "hard times" reflected not just a temporary economic downturn but a pervasive liquidation of industry in the "rust belt" spawned a variety of local organizations addressing the problem of plant closings and deindustrialization. The first was the Ecumenical Coalition to Save the Mahoning Valley, a three-year campaign to preserve Youngstown's steel plants through labor and community ownership. While this campaign was ultimately defeated, it foreshadowed the development of local organizations throughout the country devoted to saving and creating "good jobs" with decent pay and union representation.

These groups have developed a strategy based on networks designed to give early warning of threatened plant closings, coordinated efforts to save threatened plants, employee buyouts, new cooperative enterprises, and other locally-initiated economic development. In 1988, 15 of these organizations came...
together to form the Federation for Industrial Retention and Renewal, which promotes the development of coalitions of religious, labor, community, and small business groups to save and create jobs.

Unemployment Today

The American workforce has been considerably reshaped during the 1980s. Stable, unionized, well-paid industrial jobs have been savaged. Simultaneously, there has been a massive expansion of insecure, low-paid, non-union jobs with few benefits—half of the jobs created between 1979 and 1989 paid below poverty-level wages. Such jobs have become all too typical for minorities, women, and young people. Thus, many workers faced extremely inadequate employment even during the relatively low unemployment years of the later 1980s. The growth of low-wage jobs interacted with changes in family structure: two-parent families with one breadwinner were increasingly replaced by one-parent families and two-or-more breadwinner families.

Meanwhile, the “safety net” initiated during the Great Depression has been virtually dismantled. Whereas in the 1975-6 recession 70 percent of unemployed workers collected UI benefits for up to 65 weeks, today barely one-third of the unemployed receive UI and until the recent extension they were thrown off after 26 weeks. (Veterans returning from the Persian Gulf War were eligible for only 13 weeks.)

The current downturn began with the service sector, which had been the principal growth area of the preceding decade; 50,000 financial services jobs were lost on Wall Street alone. Then blue-collar workers were hit: 150,000 construction and factory jobs were lost just in October 1990. 1991 saw mass layoffs of public employees due to acute state and local budget crises.

Obstacles To Organizing

The unemployed always face strong barriers to organizing. As veteran unemployment organizers Keith Brooks and Manny Ness wrote, “People who are unemployed are often preoccupied with finding work, demoralized by joblessness, and isolated from each other due to the stigma attached to unemployment. In addition, there is an inherent tension in the need of organizations to develop a stable core of leadership among people whose goal is rightly to leave their status as unemployed.”

In addition, the special conditions of the “new labor force” are also often obstacles. A veteran organizer of the unemployed in the Mon Valley noted, “The steelworkers who were laid off ten years ago had strong union backgrounds and strong commitment to their jobs and their region, and they felt that they were entitled to decent jobs and to social support if they were unemployed. When the plants closed, they felt outraged at their employers. The unemployed workers today are used to low-paying, insecure jobs and they don’t have that sense of their own right to a decent job. When they are laid off, they are more likely to accept it and just hope they can find another job, however lousy.”

The diversity of today’s unemployed increases the difficulty. A Seattle organizer notes, “The unemployed people we deal with range from homeless people to laid off attorneys and engineers.” In the past, UI was a common denominator shared by most unemployed people, but the deterioration of the system means that barely a third of the unemployed are receiving benefits.

Vaguely Reminiscent Of The 1930s

With the recovery from the deep recession of the early 1980s, most of the groups that had been affiliated with the National Unemployed Network became less active. The Mon Valley Unemployed Committee, for example, continued to function, but with a strategy of addressing only one issue at a time: currently it is campaigning to eliminate the state law that allows liens to be placed on the homes of those who have received welfare.

One unemployed organization that continued to be very active through the 1980s was the Philadelphia Unemployment Project (PUP). Founded in 1975 with support of unions, churches and community groups to organize unemployed people and the working poor, PUP is a membership organization with $3 annual dues, about 160 members, and extensive use of volunteers. Part of PUP’s success during this period may be due to its integrated focus on both the unemployed and the working poor. PUP operates an information center and
hot line with information and referrals for a wide range of problems that affect low-income and unemployed people: health care, welfare, foreclosures, weatherization, housing loans and grants, and unemployment compensation. It then organizes around specific issues that are affecting groups of poor people.

PUP has a Health Committee, for example, made up of uninsured people, their families and allies, who pledge to help each other and anyone else if they have any problem getting health care. They have organized to protect and extend health services for the poor. In October, a coalition campaign led by PUP won legislation requiring the city’s nine district health centers to provide a basic level of medical care for all in need, including physical exams, care by a single doctor, dental care, and preventive counseling.

A key PUP health strategy has been to pressure local hospitals to sign a “Hospital Pledge of Responsibility” agreeing not to turn away poor people in need of care. At one hospital in Philadelphia, a woman who lived on a small workers compensation check of the ovaries. The hospital refused to admit her unless she paid a $1,500 deposit. Health Committee members picketed the hospital and demanded care. TV covered their action. The hospital immediately scheduled the operation and processed the woman for medical benefits. The hospital agreed to sign PUP’s Pledge of Responsibility. When another hospital refused to sign the Pledge, the Health Committee organized a community meeting near the hospital. Half an hour before the meeting was to start, the hospital called and agreed to sign the Pledge.

PUP is now organizing campaigns to half foreclosures and evictions which might be described as vaguely reminiscent of the Unemployed Council actions of the 1930s. When Melody Jackson, a secretary laid off from Cigna and an active PUP volunteer, was turned down for a Federal program intended to prevent mortgage foreclosures, she went to the regional HUD office—with more than a dozen supporters. They were given an immediate meeting with the regional director. When she presented documents supporting her claim, he reversed the decision on the spot. “It’s like a cloud was lifted over me,” Jackson told a reporter.

The Seattle Workers Center, which combines industrial retention activities like early warning networks and efforts to save threatened plants with services to displaced workers, has also experimented with organizing the unemployed. Its principal target has been the restrictions in state law that have kept two-thirds of the unemployed from receiving benefits. The first step was to create a Solidarity Network of the State with a $6 annual membership fee (payable in volunteer time). The outreach plan includes not only unemployment offices, but contact points for those unemployed who are not receiving benefits: shelters, feeding stations, public health clinics, and the like.

The New York Unemployed Committee (NYUC) was formed in November 1990 by two union staff members who had been involved in unemployed organizing in the 1970s early 1980s. It is a membership organization (it costs $1 to join) with a steering committee of 10-15 unemployed workers and a handful of labor and community activists. In one of its first actions, NYUC held a membership meeting in a church; then 25 unemployed workers marched six blocks to the unemployment center. Others joined them along the way. At the center they demanded a meeting; management agreed to meet with them, receive grievances, and allow a bulletin board inside the office; it also acknowledged the need to treat recipients more courteously. Today, NYUC claims 500 members.

Organizing efforts are also under way in other cities. In Baltimore, for example, the United Electrical Workers Union (UE) is organizing its unemployed members. And the Mon Valley Unemployed Committee continues to campaign for removal of liens placed on the homes of the unemployed. In virtually all cases, unemployed organiz-
ing takes place in the context of a supporting coalition of labor, religious, and community groups.

The UI Extension Campaign

According to Keith Brooks of the NYUC, the campaign for extending UI benefits "started with two activists with a petition." In November 1990 Brooks and Manny Ness formed NYUC and began to test the waters by circulating a petition for extended benefits at unemployment centers and through unions and community groups. December 1, they met with other activists in Philadelphia and launched the campaign.

The campaign started with support for the Downey bill, which would extend unemployment benefits to a year and limit state eligibility restrictions. Unemployed groups and their allies in New York, Philadelphia, and elsewhere leafleted UI offices and recruited unemployed people for mass meetings with local congresspeople. PUP brought together hundreds of unemployed workers, union members, and religious leaders to hold "town meetings" with their Congressional representatives to persuade them to support the Downey bill. One of the unemployed workers explained to a Congressperson, "my two little daughters don't know about politics, they know what they need." The Congressperson agreed to support the Downey bill.

Then busloads of unemployed workers from several cities went to Washington, where they met with 20 Congresspeople and their staff members. When they were refused admission to a Congressional hearing on unemployment, they chanted "Let the unemployed speak!" and "26 weeks is not enough!" outside the hearing room. In July, 30 busses, with the largest contingent from the building trade unions, went from Philadelphia to Washington to add pressure for the bill. Contingents also came from Baltimore, Pittsburgh, and New York. Demonstrators even went to Kennebunkport, Maine to pay a call on George Bush during his vacation.

Unemployed workers were also interviewed on the Today Show, ABC Evening News, and other media. "To bring the human realities of the recession to the politicians and the media who have been doing their best to ignore the plight of the unemployed."

After President Bush's veto in October, the unemployed groups met with national religious, labor, and civil rights officials and began putting together local campaigns in the states of the five Republican Senators who had supported the benefit extension but then voted not to override the veto. At that point, Republican Senators sent a signal that the Bush administration was ready to throw in the towel and negotiated a bill with the Democrats that the White House was willing to accept.

Next Steps

The UI benefit extension passed by Congress does nothing for the two-thirds of the unemployed who have not even been able to get on the rolls. This is in line with the current Democratic Party strategy of trying to appeal to the threatened "middle class" as distinct from "the poor." The Downey bill would have limited the state eligibility restrictions that keep so many people from getting UI benefits; surely that is an issue to be raised when the current UI extension runs out at the height of the 1992 election season.

The exclusion of most workers from unemployment benefits can also be challenged at the state level. The Washington State Solidarity Network has launched a "100 percent Campaign" whose goal is to have 100 percent of those who need UI benefits receiving them. The legislative program developed by the State Labor Council includes: reform of "quits" provisions, reducing base year qualifying hours, coverage of striking and locked-out workers, and benefits for re-entrants to the workforce who cannot find employment. PUP and the building trades unions are discussing a similar campaign for Pennsylvania.

Another reason that two-thirds of the unemployed receive no benefits is that employers (especially service industry and non-union employers) have begun systematically contesting UI claims. Organizations like the Workers Defense League in New York have trained advocates for claimants denied benefits, generally winning a large proportion of cases.
Of course, many organizations provide survival and job search services for the unemployed. Some of these are service operations like food banks. Some are mutual aid efforts for carpools, child care, and the like. The Seattle Workers Center operates a state-designated Reemployment Support Center for dislocated workers. Its Employment Advocacy Program aims to help workers from the first indications that closings or layoffs may be impending. It works with Federal and state agencies to provide individuals "counseling, job training/retraining, unemployment insurance, utilities payments, mortgage foreclosure and rental eviction prevention, public assistance, food banks, emergency shelter, and medical care. They have also developed a voice mail program through which phoneless jobseekers can have personal phone numbers on which they can receive messages.

In many areas, unemployed support groups have developed. Often based in churches, they seem to appeal primarily to middle class people who have never before experienced extended unemployment. So far they have oriented primarily toward keeping up people's morale as they seek new jobs, but if new jobs remain unavailable they may take a more confrontive turn.

Raising The Jobs Issue

In the Great Depression, the government created jobs for more than four million people. If a community had unemployed carpenters, jobs were creating building schools or repairing town halls; if there were unemployed musicians, they formed a band to perform for the community. In the 1970s, public pressure again led the government to establish a big program for jobs and training. Just recently, the National Conference of Mayors called for the creation of these kinds of jobs to help rebuild U.S. cities—and provide jobs and training for the unemployed. Just as the extended benefits which were beyond consideration a year ago are a reality today, so the idea of the government creating jobs for the unemployed—ideologically taboo until recently—may soon be on the agenda.

MIT economist Paul Krugman noted in November, "We are closer than I would have believed we could have gotten to where we are seriously talking about Depression-style programs to pull ourselves out."

Mass unemployment presents the classic paradox of people desperate to work but unable to do so in the midst of enormous needs that their labor could help to meet. This may be an impossibility according to free-market ideology, but it has nonetheless been the repeated reality of capitalist economies. As Jim Benn of the Federation for Industrial Retention and Renewal points out, economic hard times can lead to growing community and government support for alternative forms of economic planning and development. There are already some examples.

Cleveland's Regional Industrial Center was initiated by the Cleveland Coalition Against Plant Closings and the Tri-State Conference on Steel along with labor, religious, and community organizations. Its mission is to develop a comprehensive approach to retaining and rebuilding industry in Northeastern Ohio. Its training task force is training representatives of local unions for participation in an Early Warning Network and new labor/management structures. Its research task force is studying the social impact and social needs created by plant closings and conducting an inventory of the region's steel-centered manufacturing base. Its steel industry resource task force is developing new products and technologies and training workers in their use. The coalition has received support from foundations and from state and local governments for activities that a few years ago they, no doubt, would have preferred to "leave to the market."

State government in Connecticut has earmarked 3 percent of its $9 billion pension funds—$270 million dollars—to invest in Connecticut firms for economic development purposes. Nearly 1,000 jobs at the Colt Manufacturing Co. in Hartford were saved by a buyout which combined partial worker ownership, a private investor, and several million dollars from state pension funds.

Hard times can lead people, organizations, and governments to do things they would never even consider in more prosperous times. In 1934, the Ohio State Relief Commission set up the Ohio Relief Production Units. Incorporated and leased a dozen factories in which unemployed men and women made clothing, furniture, and stoves. The Ohio Plan became a model for programs in several other states and was incorporated in the Federal relief agencies. Such a program would have been inconceivable even two or three years before. While the Ohio Plan would need great modification to be applicable today, it indicates the kind of initiative that may become possible in an economy that fails to meet the needs of more and more people.