The American Working Class, Coronavirus, and the Recession

written by Dan La Botz | March 18, 2020



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American workers' lives have been turned upside down by the coronavirus. They are endangered by the health crisis and threatened by the subsequent economic crash. While the coronavirus spreads across the country, leading the federal, state, and local governments to shut down large parts of the economy in order to promote social distancing, the crisis has also triggered an international economic recession that many economists are now predicting will be worse than that of 2008. We appear to be facing both a pandemic and a coming great depression and neither government, nor employers, nor unions are prepared for it.

Many industries, like the airlines, have reduced operations, leaving many without work. Similarly with the shipping companies. As health officials have recommended social distancing, many events with mass audiences—concerts, sports events, and Broadway plays—have been shut down. Several states and cities have now ordered the closing of all restaurants and bars, throwing tens of thousands of cooks, bussers, waiters, and bartenders out of work. Many others who serve the public, such as subway operators and bus drivers, remain on the job. Millions of workers, in warehouses and grocery stores, for example, also continue to work. And, of course, health workers continue to go to their jobs in clinics and hospitals.

The working class taken as a whole has many groups that will be particularly threatened by both the pandemic and the economic crisis. There are in the United States an estimated 500,000 homeless people, as many as 40 percent of whom are under eighteen; that is, there are tens of thousands of homeless school children who, when schools close, will have no place to go during the day and will lose their usual school meals. The United States has the largest prison population in the world proportional to its total population with 2.3 million prisoners and various prisoner organizations have expressed fears that coronavirus in a prison could be devastating. There have been calls to release older prisoners who have not committed violent crimes. The poor will also be especially vulnerable to both crises, and the poor make up 12 percent of the U.S. population or 38 million people according to official figures. Finally, in our country we have 11 million undocumented immigrants, many of whom fear to seek medical help because they may be deported.

The situation is overwhelming for many and perhaps most working people. The United States has no national health care system and tens of millions of American workers have no health insurance. In addition, millions of American workers have no paid sick days, no family leave, and millions in

precarious employment have no vacation days. Workers have no guarantee of employment or income. All of this is complicated by the closing of schools, after-school programs, and daycare centers.

How Has the Government Responded?

The U.S. government dealt poorly with the pandemic from the beginning. The Trump administration had previously cut funds for the Centers for Disease Control (CDC) and the National Institutes of Health and had closed down the White House Pandemic Response team. Even as the CDC attempted to implement epidemic policies, Trump downplayed the epidemic. The first U.S. case appeared on January 20. Asked two days later whether there were "worries about a pandemic," Trump replied: "No, not at all. We have it totally under control. It's one person coming in from China, and we have it under control. It's going to be just fine." It wasn't until early March that the federal government began to act and only on March 13 that Trump declared a national emergency.

Trump's March 13 response to the country's needs was to propose no interest government loans and payroll tax breaks for corporations to offset any costs of the coronavirus crisis that they might suffer. Democratic Party Speaker of the House of Representatives Nancy Pelosi worked with Trump's Secretary of the Treasury Steven Mnuchin to craft a bill, the American Families Act, aimed at responded to the coronavirus emergency. Its principal features are:

- Free coronavirus testing for all who need it, with or without insurance
- Up to two weeks of paid sick leave and up to three months of paid family and medical leave.
- Stronger unemployment insurance for furloughed worker.
- More funds for food programs for school children and seniors.
- More money for Medicaid, the joint federal and state insurance program for low-income Americans.

Supported by both Pelosi and Trump, the bill passed the House and Pelosi and Trump proclaimed that it would protect most American workers who wouldn't have to work about their next paycheck. But in fact, under the bill large employers like Amazon and McDonalds are not required to pay any paid sick leave, and companies with less than 50 employees can ask for exemptions. So, in fact, only about 20 percent of workers would be covered by this bill. The Republican dominated U.S. Senate has still not passed the bill, and despite Trump's support, 40 Republican senators have pledged to stop it.

At the moment Trump is calling for a trillion dollar economic program including $250 billion dollars to be sent as cash payments of at least $1,000 to each American adult and smaller checks for every child. A group of three Democratic Party governors have called for sending as much as $4,500 to every adult and child. All of this is still in process and no specific bill has yet been sent to the Congress.

States and cities also responded slowly at first but eventually took action as the number of cases increased in their area. Governor Andrew Cuomo in New York ,Governor Gavin Newsom in California, and Governor Larry Hogan of Maryland took strong actions to reduce social distancing in their states, as did the mayors of several large cities such as New York, Los Angeles, and San Francisco. In most areas schools, museums, movie theaters, playhouses, concert houses, restaurants and bars have been ordered closed. The public has not always behaved wisely with large, boisterous crowds celebrating an early St. Patrick's Day in Chicago, which led Governor J.B. Pritzker to order all bars and restaurants closed.

How Are Companies Responding?

The response from the corporations has been mixed. Hotel giant Marriott International has laid off 170,000 workers worldwide, tens of thousands in the United States. Some large corporations strive to maintain their staff—or at least their key personnel—while many smaller companies will be forced to close their doors and let everyone go. Some employers have suggested that those workers who can, work from home via video-conferencing and computer. But most workers in the society have jobs that cannot be done from home, think of garbage collectors or construction workers. Nurses complain that many hospitals done a poor job of preparing for the crisis, of training their employees, and providing workers with resources.

High tech companies employ about six million people in a variety of jobs, from computer engineers to data entry. The largest high tech companies—Facebook, Google, Twitter, and Amazon almost immediately told many of their employees to work at home. Google's parent company, Alphabet, has recommended that all of its employees in North America, Europe, Africa and the Middle East work remotely. Obviously these companies' services employees—cleaners, cooks, security—cannot work from home and need economic support.

Alphabet, which owns Google, says it has created a Covid-19 fund, which will provide sick leave to all of its employees, including temporary workers, contractors, and vendors. Amazon says that it will provide unlimited sick leave for all of those on its staff who test positive for Covid-19. Apple also says it is offering its retail staff who experience coronavirus unlimited paid sick leave. Many of these companies should do very well in this crisis—provided hardware (much of it made in China) can be maintained—and so they should have wherewithal to pay workers and give them sickdays.

Walmart says it will give up to 26 weeks paid sick leave to full and part-time workers who because of coronavirus cannot return to work immediately. Several other large corporations have promise to support their workers one way or another. We will have to see if all of these promises are fulfilled as the economic crisis deepens.

Some service companies have taken actions to protect their employees at work and have offered financial support if they become sick. Lyft, a national taxi company, has announced: "We will provide funds to drivers should they be diagnosed with COVID-19 or put under individual quarantine by a public health agency." Rival Uber says it will give two weeks sick pay to cab drivers and delivery workers, even though they are considered to be independent contractors and have not qualified for sick leave or benefits. Many other taxi companies' employees are considered private contractors and have no sick days.

What is the Response of Organized Labor

The organized labor movement has not played a forceful political role in this crisis. The American Federation of Labor (AFL-CIO), the largest grouping of workers in the United States, issued a statement calling upon the federal government to act to stop both the coronavirus and the financial crisis. And the AFL-CIO petitioned the U.S. Secretary of Labor to issue an Emergency Temporary Standard under the Occupational Safety and Health Administration (OSHA) to protect 19 million health and service workers. The goal is to have OSHA require employers to provide the appropriate resources, equipment, training, and protocols. The AFL-CIO, which has no authority to direct its member unions to do anything, has failed for many years to provide much leadership, and seems once again to be proving largely useless in this health crisis.

The United Auto Workers (UAW), partnering with the corporations, General Motors Co., Ford Motor Company and Fiat Chrysler Automobiles (FCA) announced that they were forming a COVID-19/Coronavirus Task Force that would deal with vehicle production plans, additional social distancing, break and cleaning schedules, health and safety education, health screening, food

service, and any other areas that have the potential to improve protections for employees. The UAW has not been a militant defender of workers on the shop floor, so it is not surprising that rank-and-file workers have called upon the auto manufacturers to close the plants and to give workers a two-week quarantine period. In Windsor, Ontario, workers walked off the job when they learned that a fellow worker had tested positive for the virus, while at the Warren Assembly plant in Detroit, an action by 17 workers temporarily shut down the plant.

The International Brotherhood of Teamsters, one of the largest unions in the United States, has called for free testing for all, paid sick leave, ensuring that workers get unemployment benefits, and not being required to search for work to receive such benefits while sick with COVID-19. The Teamsters national leadership has a poor record of fighting for its members' interests, so workers themselves are taking action. United Parcel Service has 250,000 drivers, sorters, and loaders who are Teamsters. Members of Teamsters for a Democratic Union (TDU), a reform group within the International Brotherhood of Teamsters, are circulating a petition calling on UPS to do the right thing by 1) sanitizing work places; 2) giving workers time to wash their hands; 3) providing paid sick leave, and 4) easing policy on worker absences.

Many unions and other workers' organizations have put forward demands. Among the most common are:

- Screening and treatment free for all workers.
- Maintenance of income even if workers must stay home.
- No loss of employment during the epidemic crisis.
- Paid sick days for all without a doctor's note.
- Health protection for government and private sector workers who must respond to the crisis.

Teachers unions in Chicago and New York demanded the closing of schools when governors and mayors failed to do so, as had already been done in Los Angeles, San Diego, and many other districts. Some immigrant workers' organizations have demanded that undocumented immigrants also have access to all health programs and other protections.

Labor Notes, a labor education center that promotes union democracy and reform, put forward an immediate program to deal with the coronavirus issue:

> It's up to us to demand what we know is feasible: government intervention to make it possible for everyone—not just the rich—to do the right thing:
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> - We need universal paid sick days so that workers can stay home, and cancellation of employer policies that penalize workers for even using their sick days. The bill passed by the House of Representatives last week, and reluctantly agreed to by President Trump, excludes employers of more than 500 (which is 54 percent of the workforce), and it allows small employers to opt out of family and medical leave.
> - We need universal free access to health care for the length of this crisis—and as soon as possible, Medicare for All. Without this, health care is triaged for those who can afford it. (If Congress had passed the Medicare for All bill introduced by Rep. Pramila Jayapal and Senator Bernie Sanders, and people weren't unable to go to the doctor because of cost, we would be in far better shape right now.)
> - We need expanded, federally paid unemployment benefits for those laid off and for those who live from tips and gigs.
> - We need a freeze on evictions, foreclosures, and utility shut-offs. Keep people in their homes, not crowding into shelters. For the suddenly un- or underemployed,

we need rent relief.
- We need to protect health care workers with the equipment that will enable them to keep working for all of us—and to survive this disaster. We need to nationalize factories that can produce masks, gowns, and ventilators—not to mention test kits and eventually vaccines—and produce for human need rather than for profit.
- We need protections for and solidarity with Asian Americans, who some numbskulls have targeted as if they were responsible for the virus.
- We need international cooperation to learn from countries that are doing a better job than the U.S. is.

Labor Notes also put forward a long-term set of demands for the labor movement:

- Paid sick time should become the law, as it is in most other countries.

- Every resident should be guaranteed free health care, which will help to keep us all safer and take health care off the bargaining table. Now that would be a game-changer—a shock doctrine for our side.

- Companies should be prohibited from price-gouging on coronavirus tests, vaccines, or treatment. And while we're at it, why not on *any* tests or treatment? Pharmaceutical corporations are already angling to profit from potential vaccines and treatments even when the underlying research is publicly funded.

- End the misclassification of millions of workers as independent contractors, which means they don't qualify for unemployment benefits.

- We need jobs that pay a living wage. This crisis is laying bare the poverty that exists in our supposedly rich country, when teachers point out that their students depend on the meals they get at school. In New York City, a tenth of students are homeless.

- We need safe housing for all. A highly contagious virus shows how profoundly each person's health relies on the health of their whole community. How do you wash your hands if you're sleeping on the street, or do "social distancing" in a prison or an ICE detention center?

- If companies balk at protective measures, or if they whine about lost profits, take them over and run them in the public interest. No bailouts for the CEOs of banks, airlines, oil companies, or cruise ships—only for those companies' workers.

While *Labor Notes*, some unions, rank-and-file groups and workers' centers have advanced important programmatic ideas, it remains to be seen what workers can do in this moment of the health crisis. Social distancing makes it virtually impossible to engage in workplace actions, hold meeting, marches or protests. Still organizing can and will go on virtually, using email and video-conferencing, preparing for the end of the epidemic and the beginning of new organizing.

Meanwhile the entire society but especially the poor, the sick, the elderly, the homeless and the disabled ask: What can I do? Who can I turn to? Where will I get my food? Who will help me? In many places, some mutual aid activities have begun, like shopping for the elderly and disabled. Many other experiments are in the works.

The Democratic Primary Campaign

All of this is taking place during the culmination of the Democratic Party's primary election campaign. Originally there were more than twenty candidates, but following Super Tuesday on March 3, there are now essentially only two: Joe Biden and Bernie Sanders; and since Super Tuesday Two on March 10, Biden had 898 delegates and Sanders 745.

As a result of the coronavirus, since March 10 candidates have canceled all public rallies and meetings, and in the interest of promoting social distancing the final debate between the two surviving candidates was held on Sunday, March 15 in an empty hall with no supporters to cheer them on. The main topic was coronavirus and both candidates attempted to speak to the American population at large and often clearly addressed themselves to middle- and working-class voters.

Biden, who served as Barack Obama's vice-president, is the candidate of the Democratic Party establishment, which represents certain financial and corporate interests. Sanders, a longtime independent Senator who describes himself a "democratic socialist" and calls for a "New Deal" along the lines of President Franklin D. Roosevelt, has little support from the capitalist class but has a mass popular following. But though he has been the most pro-labor congressperson and senator, he has the support of only a few labor unions. Biden, on the other hand, has the support of the nation's largest and most important unions: the National Education Association, the International Association of Machinists, the Amalgamated Transit Union, among many others. He can be expected to be endorsed by all of them if he wins the nomination. Older citizens and African Amercians, who are among the most reliable voters, support Biden, while Sanders has the following of less reliable younger voters

The dominant issue of the last debate was the coronavirus pandemic, revolving around the question of how Trump has responded and how Biden and Sanders would respond. Both Democratic Party candidates sharply criticized Trump for failing the American people in this national emergency. Biden argued that the American people don't want a "political revolution" such as Bernie has called for, but want instead practical answers. He called for a sort of wartime response led from the White House and mobilizing all of the national resources to respond to the pandemic. Sanders, on the other hand, put forward his principal campaign demand of Medicare for all, that is one single-payer health system such as exists in Canada. He spoke repeatedly to the needs of working people, women, immigrants, and the poor. Polls show that as many as 70 percent of Americans support Medicare for all, but as Bernie himself admits, while he has won the ideological debate, he has not convinced

Americans that they should support him for president.

On Tuesday, March 17 Biden won three more state primaries and now has 1,147 delegates to Sanders' 861. It is now highly unlikely that Sanders could win the Democratic Party nomination. And meanwhile Trump has put himself forward for the first time as a national leader, addressing the health crisis more seriously, and also calling for emergency measures to address the economic crisis, and promising to send money directly to every American. Now that Trump has taken action and is working with the Congress to pass both health and economic programs it seems—quite undeservedly, lamentably, and frighteningly, that he may come out of this a stronger candidate for reelection.

The Left and the Crises

The American left grew exponentially with Bernie Sanders' campaign for president. The Democratic Socialists of America (DSA) supported Sanders early in his 2016 campaign and grew in the period from 2016 to 2017 from a few thousands to fifty-five thousand members. Now the largest and most important left organization in the United States, DSA threw itself into the Sanders campaign, which absorbed much of its energy, though it also continued to be active in social movements from women's issues, to the environment, to immigrant rights.

Sanders' almost certain defeat in the Democratic Party primary will take a toll on DSA and there will need to be a good deal of discussion and debate to figure out where the organization goes from here. DSA, largely a young organization of people in their twenties, does not have the capacity to provide national leadership on the coronavirus issue nor on the economic crisis. While there are a small percentage of members with labor and social movement experience who have been through other crises, the group as a whole will have to educate itself to come up to speed. And, once social distancing ends DSA will need to be deeply involved in the coming labor and social struggles.

Some small groups on the left believe that Sanders' supporters will be looking for a left alternative, and are calling upon people to build the Green Party or to organize a new labor, socialist, or even revolutionary party. There seems to be little likelihood that such a thing will happen, especially if the two crises continue to deepen. The Green Party got only 1 percent in the last presidential election and there exists no working class party anywhere in the United States. Working people will be in shock from the current crises and it will take years to be able to develop a working class response in the unions and movements, and longer to create a political party. Coronavirus and the recession are throwing us all down, thrusting us backwards, and we will have to work to stay on our feet and respond. We place at the center of our thinking, as always, workers democracy and power. Let us all work to keep well as we organize online and, when all of this ends, continue the fight for socialism.

PS: Thanks to all of those health workers who are rising their health and lives to take care of all of us.