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**The Economic Crisis...
Who Will Pay?
Solidarity America
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The financial crises in economies around the world have caused political leaders to join together to find solutions that do not appear to put the burden on the one perennial source of wealth that seems to be a constant: earnings of working people. After all, how many times can a country go to that well?

It may have started with the meltdown of American financial and banking institutions, but since every other developed economy in the world is somehow tied to the U.S. economy, it took no time at all for them to feel the pain.

The U.S. president's and Congress's response was to come up with a bailout for a number of corporations, amounting to around \$1 trillion - so far. And we've been warned by the Bush Administration that, possibly, this will bring some relief, but that the crisis is far from over.

Some comments were left floating in the air about addressing the rapacious kind of capitalism that America has experienced for three decades or more (not that it was a cakewalk for working people in the century before that), but there is no placing of blame on the corporate leaders of the firms who have come to the people with their hands out.

That's why it was refreshing recently to hear from German Chancellor Angela Merkel that one of that country's biggest mortgage-real estate firms would be bailed out, but that those who were responsible for the problems will be held to account.

This is one of the differences between the kind of mature mix of capitalism and

socialism that exists in European countries and elsewhere in the developed world and the wild frontier economy of the United States, where deregulation has been the slogan and the rule-to-live-by for generations.

While the poor still exist and there is talk of a growing underclass in many of the countries, there is at least discussion of social problems. In the U.S., there is little discussion and the word "underclass" is rarely mentioned, except in some academic circles or by professionals in the social services.

In some countries, the sheriff is on duty. In the U.S., the sheriff is on an extended leave of absence.

American jobs are being lost at a rapid rate and businesses are closing their doors, one after another. The auto industry is in turmoil - and that includes the foreign car companies that make their cars in non-union plants, mostly across the south, where the word "union" is not a favorite.

But, whether they are union or non-union jobs, these are some of the better-paying jobs in the economy that are being lost. It's not likely that the job loss the professionals talk about are the \$7.50 an hour jobs. They are the ones that are paying upwards of \$25 an hour, with benefits and a pension (the people who can provide the wherewithal for a bailout).

They're good jobs that could be lost for good. In this economic crisis, compounded by the deadly spike in petroleum prices, a whole new chapter is going to be written in the worldwide auto industry and it does not bode well for the American auto industry.

As soon as other countries, like India and Brazil, find a way to produce their high-fuel-economy cars and trucks to meet American standards, there may be little left of the U.S. car companies, whether they are owned by foreign or domestic corporations. The labor costs are cheaper there and that's the key ingredient in production that transnational corporations have sought.

Places where unions are either weak or non-existent are the target countries for production. It has been clear for decades that global corporations have no loyalty to the nation in which they might have been created or where their worldwide headquarters are located. That fits the description of most American transnational corporations.

It has been conventional wisdom that the second most important purchase that an American makes - after the purchase of a house - is the purchase of an automobile. The duration of an auto loan has increased since the 1970s from three years to five years. Consequently, many people are burdened with two major monthly payments, the combination of which often takes more than 50 percent of their after-taxes monthly income.

The American worker can not fight back against the gutting of the American economy by the transnational corporations without some kind of organization to protect their interests. Some would say that this is the purview of a socially-conscious political party. That kind of party has not existed in the U.S. for some time.

In light of that and, within the context of the political system we have, a strong union movement would seem to be the logical protector of wage workers, their families, and their communities. But a relentless assault on even the concept of a vigorous union movement by both government and Corporate America since the Reagan era has sharply reduced the possibility of a resurgent movement in the near future. This is why it is heartening to hear that somewhere, someone will be held responsible for reckless behavior in the public sphere and that, in Germany, at least, the leader is promising to hold those responsible to account.

There isn't even a pretense in the U.S. to taking such action. Rather, the corporate leaders have come away with their perks and golden parachutes intact and they've been assured to a great degree that it's business as usual.

American workers have been told that a portion of the \$1 trillion bailout will be paid back, but that's rather hard to figure, because there doesn't even seem to be a hard number for a bailout total.

Viewed from some of these other countries, Americans who are losing their jobs and their homes by the millions - yet, continue to work for wages and pay their taxes - would be considered members of a growing underclass.

In those same countries, the growing economic and financial problems of their workers would require immediate action, which they've taken. In America, the government has responded to the suffering of Wall Street with even greater speed. In the U.S., they don't see an underclass, because, in classless America, there could not be an underclass, much less one that is growing.

This time, however, propaganda and ignoring the problems won't work. There are too many chickens coming home to roost. Leaders need to act. We need to find the leaders.

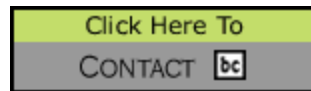
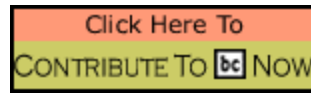
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BlackCommentator.com Columnist John Funciello is a labor organizer and former union organizer. His union work started when he became a local president of The Newspaper Guild in the early 1970s. He was a reporter for 14 years for newspapers in New York State. In addition to labor work, he is organizing family farmers as they struggle to stay on the land under enormous pressure from factory food producers and land developers. Click [here](#) to contact Mr. Funciello.

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