

A Job Summit for Jobs Now

Jobs, jobs, jobs. Over the last week, President Obama and every major newspaper and media outlet are **talking** about jobs and how to **employ** more Americans. Let's stop so much talk and put people to work now, particularly African Americans and Latinos who are suffering from joblessness more than any other racial and ethnic group in America. Jobs are scarce in these communities, with the outlook being even worse for black and Latino males. It's as if there is an invisible sign, "No black or Latino males need apply." While there has been some slight progress in reducing job losses this past month, clearly a great deal of work remains to be done to connect more people to jobs.

The latest jobless numbers – a loss of "only 11,000" jobs last month - was a hopeful sign. Certainly, this is better than the hundreds of thousands of monthly job losses the nation has suffered during the past year. But some economists believe that unemployment will decline very slowly, requiring as much as five years to fall back to a more or less normal 5 percent.

A long period of high unemployment could create a permanent class of the unemployed, who would never be able to get back into the labor market. Given the current unemployment numbers, we know that a large portion of that group would be black and Latino low-income Americans in urban areas.

The president outlined three major proposals for creating more jobs. He called for increasing the investment in infrastructure through building and modernizing highways, railways, bridges, and tunnels. He proposed a program that would provide rebates for consumers who retrofit their homes to become more energy efficient. And he outlined a series of steps to help small businesses grow and hire new workers.

In addition, the president plans to use some of the billions in government bailout money repaid by banks to help unlock credit for small businesses, something that banks have been slow to do. A portion of these funds could also be used to provide direct aid to states and localities, saving jobs and keeping services at acceptable levels.

There is legislation currently in the House of Representatives that would provide \$70 billion for infrastructure projects and aid to small businesses. The Community Service Society has long advocated for more public service jobs, particularly Congressman Nadler's bill to establish a Transportation Job Corps that would recruit young adults across the nation for jobs in the transit sector.

It is crucial that public service jobs focus on areas and populations where unemployment is especially high, particularly in black and Latino communities in urban areas. Here in New York, with our many bridges and tunnels in poor shape, construction jobs could begin quickly. Historically, however, people of color have been systematically excluded from construction jobs in New York City. Unless the federal government and Mayor Bloomberg weigh in to prevent this type of discrimination from continuing, any new construction jobs are not likely to be filled by black or Latino workers.

In our economy, small businesses account for the great majority of employment. This is especially true of low-wage jobs. New York's small businesses have been battered by the recession, with many layoffs and even bankruptcies. Federal policies aimed at a tax cut for small businesses and helping them to get more credit to expand would be a strong stimulus for hiring more workers.

The mayor has proposed a program to make the city's buildings more energy efficient, but he suspended it because of the poor economy. Now, with the possibility of federal funds, this would provide more jobs while helping the city's environment.

A Jobless Recovery?

We must remember that although the recession is officially over, the threat of a jobless recovery - that employment will lag for months or even years - is still a real possibility. The fear is that the administration might give in to those who caution that government creation of jobs will add to the nation's federal budget deficit. This sort of thinking would be self-defeating.

The New York Times, in an editorial, put it best: "Mr. Obama must make the case that the immediate need for more federal help trumps the longer-term need for deficit reduction; otherwise the economy is in for a self-reinforcing stretch of joblessness that would cost more in the end than additional spending today."

While the official unemployment rate for November edged down a bit from 10.2 percent to 10.0 percent, there are still over eight million Americans who have lost jobs since the recession began in December 2007 when the unemployment rate was just 4.9 percent.

Black unemployment is at 15.6 percent; 16.9 percent for black men. Latino unemployment is at 12.7 percent. Education is a strong indicator of employment prospects with 15.0 unemployment for those without a high school diploma compared to just 4.9 percent for college graduates. Industries where people of color are most likely to find work are especially hurting: unemployment in the construction industry is at 19.4 percent, 12.5 percent in manufacturing, 11.9 percent in leisure and hospitality (hotels, restaurants).

Long-Term Unemployment

These are the official figures. They do not reflect the millions of Americans who have given up looking for work in a labor market where there are six applicants for every job opening. The average unemployed worker has been out of a job for more than six months.

With the economy not expected to generate the growth necessary for new jobs anytime soon, young people, who would just be entering the labor market, are being shut out at a crucial time in their lives. Entry-level jobs are being taken by older unemployed workers willing to take any job in a recession. More than one in four 18- and 19-year-olds is unemployed. Over 30 percent of young blacks, ages 16 to 24, are jobless. Unless there is a concerted drive for the creation of jobs - and job training - this is liable to have long-term negative effects on this generation and on black communities across the country.

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