

The social crisis in the US

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Thanksgiving Day 2012.

As President Barack Obama and Congress prepare to slash trillions of dollars from social programs that keep vast numbers of people out of destitution, the prevalence of hunger and poverty in the United States has reached rates unseen in decades.

The figures are staggering.

The number of Americans receiving food stamps reached a new record in August this year, at 47.1 million people, according to the latest figures from the Department of Agriculture. This is up by one million from last year, and up by more than half since October 2008, when the figure was 30 million. In Washington, D.C., the nation's capital, and the state of Mississippi, more than one-fifth of residents now receive food stamps.

The average monthly food benefit per person is \$130, or about \$4.33 a day, less than the price of an expensive coffee in lower Manhattan. Yet a bill now being debated on the floor of the US Senate would slash billions from the program over ten years, throwing an untold number of children, elderly and disabled people into poverty. There are already some 50 million food insecure people in the US, a jump from 36 million in 2007; 17 million of the hungry are children.

The official poverty rate, which severely understates the real level of social deprivation, has likewise hit a new record. There are now some 49.7 million people living beneath the poverty line in the United States, or 16.1 percent of the total population, according to the US Census Bureau's Supplemental Poverty Measure released this month. In 2006 there were 37.3 million people in poverty and the official poverty rate was 12.5 percent.

The supplemental report revises poverty statistics by taking into account the effect of government programs and regional costs of living. In particular, the report found extraordinary rates of poverty in states with a

high cost of living.

By the new measure, California had a poverty rate of 23.5, i.e., nearly one in four residents in the nation's wealthiest and most populous state is poor. California, home to Hollywood and Silicon Valley, as well as garment sweatshops and migrant farm labor camps, has one of the highest levels of income inequality in the US.

Meanwhile the Census data revealed that median household income in America, adjusted for inflation, fell by 1.5 percent from the previous year. The figure was 8.1 percent lower than in 2007 and 8.9 percent lower than its high point in 1999. The income of the typical US family in 2011 fell for the fourth straight year and sank to levels last seen in 1995.

The high levels of poverty and social misery caused by the economic crisis have been exacerbated by continual cuts to social programs.

Government antipoverty programs keep nearly 50 million people out of poverty. Without them, the poverty rate would be twice as high, according to the Center on Budget and Policy Priorities. In 2011, unemployment insurance helped 26 million workers, points out the National Employment Law Project (NELP), and lifted 2.3 million people, including more than 600,000 children, above the poverty line.

In 2010, about two-thirds of people counted in the government's unemployment figures received unemployment benefits. By 2011, however, that number had fallen to 54 percent. This year it fell to only 45 percent, according to George Wentworth, NELP Senior Staff Attorney.

Now, extended unemployment benefits, implemented because of the economic slump and the growth of long-term joblessness, are due to end by December 31. Unless the program is renewed, two million people will be cut off, and in no part of the country will the unemployed receive more than 26 weeks of jobless pay after being laid off.

If the program is allowed to lapse, according to Wentworth, it would mean that only a quarter of those who are officially unemployed would receive any form of benefits.

From the point of view of the mass of the people, the 2012 elections came and went without ever addressing their real concerns and needs. The political and media establishment in America is indifferent to the social devastation their system has produced and hostile to any measures that would tackle it.

The word “poverty” virtually never appears in the speeches and comments of President Barack Obama, elected to the highest office in a country where half the population is poor or near poor. The Obama administration epitomizes the callousness of the financial aristocracy and its political servants.

With the November voting out of the way, the Democrats and Republicans have turned single-mindedly to attacking entitlement programs and whatever remains of the social “safety net.” For such programs, “There is no money.” Meanwhile the politicians’ multimillionaire backers gorge themselves on record profits and Wall Street stock market bonanza.

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That abject poverty and misery should exist side-by-side with the most extravagant and senseless wealth is accepted as natural and a fact of life by both big-business partners and all the purveyors of political wisdom in the US. The population, however, which was never consulted on this, seethes with anger, confused though it may be. American society, sclerotic, unjust and unequal, is heading inexorably toward social upheaval.

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