

Report documents mass poverty in California

By Thomas Gaist and Marc Wells
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A recent poverty report detailed the conditions of growing social misery and impoverishment in California. Issued by the Center for the Next Generation, “Prosperity Threatened: Perspectives on Childhood Poverty in California,” presents a detailed breakdown of poverty statistics, focusing on the growth in child poverty and economically distressed single mothers. Taken at face value, the report's findings are devastating. In truth, the social situation of working people in California is even worse than the picture painted in the report.

According to “Prosperity Threatened,” the official poverty rate in California is 16.6 percent (6.1 million people) while another measure developed by the Census Bureau puts the rate at 23.5 percent (8.7 million people). According to the Census numbers, California is the most impoverished state in the US, ahead of Hawaii and the District of Columbia.

The data indicate that nearly one half of California's children live in poverty or “perilously close” to poverty. Between 2006 and 2011, the childhood poverty rate rose 4 percentage points, for an overall increase of 21 percent in the number of children living in poverty. These data are based on the federal poverty threshold of \$23,021 for a family of four, or \$11,484 for an individual.

Between 2008 and 2011, according to the report, poverty has jumped dramatically in many of the state's counties: Imperial County: 31.2 percent (up 13.2 percent), Los Angeles County: 24.3 percent (up 12 percent), Orange County: 16.3 percent (up 28.5 percent), Riverside County: 21.8 percent (up 34.3 percent), San Bernardino County: 24.9 percent (up 32.1 percent), San Diego County: 18.3 percent (up 19.3 percent), Ventura County: 14.9 percent (up 22.4 percent.)

It is essential to note that while more and more Californians are pushed into destitution, the state's

nearly 100 billionaires are wealthier than ever. The explosion of poverty has occurred simultaneously with the spectacular enrichment of the most privileged layers.

Like many similar statistical reports, “Prosperity Threatened” suffers from substantial limitations. While providing useful information, it fails to grasp the true extent and, most importantly, the root cause of the economic misery plaguing California. Mass poverty is not a matter of the errant life trajectories of unfortunate individuals; it is a social phenomenon that results from the economic crisis of US and world capitalism, which is amplifying class antagonisms. As a result, the capitalist class intensifies its strategy of plunder against the working class.

This strategy is politically expressed in the policies of the Obama administration, particularly in its pursuit of dismantling hard-fought social gains such as Medicare, Medicaid and Social Security. The recent appointment of Wall Street operative Jacob Lew is a green light to the rapacious and predatory policies pursued by finance capital, at the expense of workers' past gains.

As for the state of California itself, contrary to the recommendation given by the report, calling on “our leaders in Sacramento” to increase funding to impoverished school districts, the political reality in the “Golden State” saw the implementation of policies along directly opposite lines, slashing funds for education and income support.

Since the onset of the economic crisis of 2008, the state of California has cut or deferred \$20 billion from education and laid off more than 30,000 teachers. It has raised tuition fees to prohibitive levels for most working class families and has reduced vital academic programs.

In the two years of his second California governorship, Jerry Brown has continued and, in fact, spearheaded a massive attack against workers and

students. With the help of the trade union bureaucracy, his Proposition 30, fraudulently touted as the lifesaver of public education, amounted to nothing more than a \$5 billion cost postponement financed mainly by a regressive tax, which is weighing disproportionately on workers.

Brown's austerity policies did not stop at public education. His pension "reform" effectively creates a two-tier system, weighing heavily on new-hires as of this year and increasing the retirement age to 67. His cuts to Medi-Cal and CalWORKS are an assault on the most vulnerable layers of the population.

The governor's budget proposal for 2013-14 is paving the way for similar measures, despite its deceitful portrait of a recovering economy. In its opening statement, the proposal's summary argues that the draconian austerity policies of recent years have succeeded, and that California's prosperity will be ensured through more "fiscal discipline" moving forward.

Moreover, the proposal plans to progressively archive public education as a social program, in favor of an expansion of privately run, publicly funded charter schools, on the way to full privatization. This will further preclude masses of youth from obtaining decent education, thereby compromising their chances for obtaining a decent job.

According to Governor Brown, "Fiscal discipline is not the enemy of democratic governance, but its fundamental predicate." Fiscal discipline means forcing the working class to pay for the fallout from 2008. The "Prosperity Threatened" report, though not perfect, extensively documents the economic consequences of Brown's "democratic governance."

As an additional index of social inequality, California's Gini coefficient stands at 0.471, indicating levels of inequality similar to those in the Dominican Republic, Gambia, and the Republic of Congo. Mass poverty in California is easily comparable to that of many historically impoverished societies. This in the wealthiest state in America.

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