

Chicago families face mounting economic hardship

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As the situation worsens for the working class throughout the US, former industrial strongholds and urban centers around the country face increasingly acute social consequences. In Chicago, the third largest city by population, situated in the second most densely populated county in the United States, families are strained by intensifying poverty and its attendant woes—hunger, illness, homelessness, violence and other social ills.

Record numbers of households receiving food assistance and reports of parents struggling to provide basic needs to children are only the most obvious signs of the social crisis in the area. Household budgetary troubles connected with the mortgage crisis and inflation have coincided with a shocking increase in violence in Chicago.

Such degraded conditions in a city that once had a vibrant industrial working class and which was a landmark for the US civil rights movement are the harsh consequences of de-industrialization over the past few decades throughout the country. The concomitant collapse of the trade unions and civil rights-focused institutions and an exodus of families seeking work and better public services have left behind little social infrastructure for the inner-city working class population.

A record number of families in the city now rely on federal assistance in the form of food stamps or the help of local charities. Over the course of 2007, the cost of food has increased by 4 percent, with another 5 percent increase projected for 2008. The price of a gallon of milk is over three dollars, and a dozen eggs now costs two dollars, up by almost a third from last year.

Statewide, 1.3 million Illinois households are receiving food stamps this year, with 21,300 Illinois households added to the rolls since 2007. Illinois Department of Human Services representative Marielle Sainvilus told the *Chicago Tribune* May 16, that need steadily increased over the past five years in the state. According to the *Tribune*, however, “the department is alarmed by what it considers a dramatic jump in demand in the last few months.” Sainvilus commented, “Families are running into financial difficulties. We don’t have hard-core evidence to say it’s directly linked to the economy. But it makes sense because people are paying more for almost everything, but they aren’t being paid more.”

The Greater Chicago Food Depository, the municipal food bank, reported a 12 percent increase in demand from last year. Last year, the Depository distributed the equivalent of over 84,000 meals per day. It is not uncommon for patrons to line up outside as much as two hours before facilities open. Nearly 33 percent of those served by the Chicago Food Depository are under the age of 18.

The depository attributes the increase in demand to the upward trend in poverty observed in Cook County since 2005, based on their participation in the National Hunger Study. At present, neither household incomes nor the value of the allotments of food stamps are keeping up with rising food prices.

Bob Dolgan with the Greater Chicago Food Depository told the *Tribune* that a survey of local patrons found that one in three who sought food, were of low-enough income to meet food stamp program eligibility requirements.

This finding has significant implications not only for the huge number of impoverished people in need of help. It also indicates that many people who are turning to emergency aid agencies are not of the poorest layers of the population. Rather, they are of the segment of the working population that formerly enjoyed some relatively higher living standards, commonly referred to as the middle class.

That a larger proportion of those seeking food aid is not poor reveals certain realities about the economic course of the past several years and its current trajectory. Millions of families in the US have been stripped of their financial security by virtually every measure—wages, benefits and other guarantees; health coverage and government-funded social programs; home equity and access to other sources of credit. Food pantries—some of the few, overburdened strands remaining of the social safety net in America—are the last refuge for many middle-income families who do not qualify for government aid.

These trends carry direct consequences for public health. Obesity and the associated problems of diabetes, high blood pressure and heart disease, as well as malnutrition, are expected to rise as families rely more heavily on cheaper junk foods and low-protein, low-nutrient “filler” foods. “The food crisis will make obesity and attendant diabetes even more rampant,” University of Washington epidemiologist Adam Drewnowski

told the Philadelphia *Inquirer* May 19, “Fruits, vegetables and fish are becoming luxury goods completely out of reach of many people. Consumption of cheap food will only grow.” (See “High food costs keep poor undernourished, obese”)

Drewnowski authored a study last year suggesting that in poor urban Seattle, Washington neighborhoods, obesity rates were a staggering 600 percent higher than in wealthy areas. “Obesity is the toxic consequence of a failing economy,” he told the *Inquirer*.

Inflation has hit working class families in myriad other ways. Local landlords have increased rents in tandem with rising energy costs and mortgage rate hikes, which climbed just over 6 percent last month. (See “Mortgage rates rise, topping 6%”) The median rent rate has increased by 2 percent since 2007, bringing it close to 33 percent of median household income. Median mortgage rates have crept up to nearly 30 percent of median household income, which is just over \$38,600 at last Census. The federal Housing and Urban Development defines housing costs as burdensome at 30 percent of monthly household income.

In the first quarter of 2008, Cook County received a record 17,508 foreclosure filings. The strain of increased housing costs, further boosted by the mortgage crisis and weak job growth, has forced some families to turn to elder parents for housing and financial support while adult children look for housing and work.

In addition, the city has seen the highest gas prices in the country, ranging from \$4.25 to \$4.49 per gallon in different areas of the city, and putting further strain on household budgets. For auto commuters, the increase in gas prices is the single largest strain on household budgets. Even city cab drivers have added a \$1 fuel surcharge for all fares in order to subsidize the increased cost of operation. Late last year, the cost of fuel rose from under \$2 to nearly \$3.30 by November. This is the largest increase in gas prices since the mid-1980s.

Many households increasingly rely on income older children bring in from summer employment. However, jobs for teens are dwindling. KidStart, Chicago Mayor Richard Daley’s youth summer employment program, received 40,000 applications for the 18,000 positions available this year. Northeastern University’s Center for Labor Market Studies estimates that 2008 will bring the lowest percentage of youth employment nationwide since 1948, with only 34 percent of teens able to find work. A sharp decrease in jobs typically occupied by young people has resulted in growing numbers of unemployed teens turning to gambling, theft, and drug sales.

As the economic pressure on Chicago families intensifies, the city has seen a disturbing jump in violence. A wave of youth violence, in particular, has had a devastating impact on the city, taking the lives of over 36 Chicago Public School students since September 2007. Public school and even some college students have organized several rallies downtown to bring attention to the problem and demand that the violence cease.

The loss of these children’s lives has shattered families, with the further negative effect of making parents reluctant to send their children to school.

Police superintendent Jody Weis announced a nearly 9 percent increase in murders, and 6 percent increase of violent crime in Chicago this year. Weis initially attributed the rising rates to three incidents in which more than three people were killed. He later acknowledged an increase in gang violence that resulted in 19 shootings on a single Friday night.

It should be noted that the number of people killed this year overall in the city exceeded those represented by the multiple homicides by at least a factor of five. More importantly, the official tallies cannot explain the factors driving the violence. Such an examination would implicate the Democratic Party establishment—so entrenched in Chicago government—and its decades of attacks on the living standards of the working class.

Indeed, despite local politician and Democratic presidential nominee Barack Obama’s token populist appeals and references to deteriorating social conditions, the Democratic Party can provide no answers to the social crisis as it defends the class system of social inequality that perpetuates and exacerbates it.

A wave of 36 shootings in the city over 72 hours in late April and another 10 reported last weekend have been attributed to warmer weather by the local media. In light of the kinds of daily struggles faced by many working class families, it is unreasonable to dismiss such a dramatic spike in violence with glib references to seasonal change.

Victims of the recent surge in violent crime stand to suffer as federal funding cuts affect providers of victim support services. A 25 percent cut in funding is expected for Chicago’s only rape crisis hotline and domestic violence assistance programs, which is estimated to result in a drastic reduction in services. The rape crisis hotline will have to reduce counseling services as well as call center operations during peak, early morning hours. Domestic violence services are expected to extend to 3,500 fewer victims in Cook County, beginning October 2008.



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