

# The social chasm in America

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Recently released figures document the growth of social inequality in America to levels not seen in nearly a century.

According to a new report by University of California Berkeley Professor Emmanuel Saez, the gulf between the wealthy and the rest of society has sharply expanded under Obama. The richest one percent now monopolize more than 22 percent of all household income in America. The richest ten percent of the population now control more than half of the nation's income, 50.4 percent—the highest proportion since the government began collecting income statistics in 1917.

Since 2009, the richest one percent has captured a staggering 95 percent of all income gains. The class war policies of the government—including bank bailouts, “quantitative easing” and an attack on wages and benefits for the working class—have led to a 31.4 percent rise in income for the top one percent. The wealthy have more than recovered the losses that came from the Wall Street collapse of 2008.

Meanwhile, the bottom 99 percent has seen a negligible 0.4 percent rise in income. Tens of millions of workers—who never recovered from the record household income drop of 2007 to 2009—continue to reel from the effects of mass job losses, falling wages, home foreclosures, indebtedness and social service cuts.

This social chasm is the source of the immense class tensions simmering just below the surface of American society. It is also behind the increasing drive towards police-state dictatorship, as the financial elite seeks to impose its will against an increasingly resistant population.

The new report on social inequality emerged as the American ruling class set out to launch another war in the Middle East. As the Obama administration sought to mobilize the propaganda apparatus for war, it encountered something that had not been expected:

overwhelming opposition from the American people. Amidst a media propaganda blitz, opinion polls show that the percentage of the population that supports war ranges from a third to merely 10 percent.

The two phenomena are connected. The conflict that has emerged between, on the one hand, the drive by the ruling class to launch a new war with incalculable consequences and, on the other, the sentiments of the American people, is an initial political expression of the vast social gulf revealed in the report by Saez.

The current levels of social inequality are a culmination of a decades-long social counterrevolution. From the late 1970s onward, the American ruling class has responded to the decline in its world position through militarism abroad and class war at home.

Wealth has been redistributed from the working class to the rich through a policy of deindustrialization, accompanied by the most parasitic forms of financial speculation. From 1980 to the present, the share of income going to the top one percent has more than doubled, from less than 10 percent to more than 20 percent. This process has only accelerated since 2008.

The working class as a whole faces a future of mass unemployment and poverty-level wages, with the younger generation hit particularly hard. Between 2000 and 2011, inflation-adjusted wages fell 13 percent for recent high school graduates and 8 percent among recent college graduates, according to the Economic Policy Institute. The percentage of recent college graduates with employer-paid health care also dropped by half between 1989 and 2011.

The growth of social inequality is producing a profound political differentiation. Not only have workers and young people passed through the experience of the Iraq war, there is a growing consciousness that unending war is of a piece with the attack on every social right of the working class within the United States. The oft-utilized methods of

channeling social discontent outward through war and calls for “national defense” and “national unity” have fallen on suspicious if not deaf ears.

As Saez’s study shows, it has not been just the top one percent that has enriched itself over the last three-and-a-half decades. A broader layer, constituting the top 5 or 10 percent of the American population, and made up of higher-paid professionals, tenured professors, journalists and trade union functionaries, form the basis of the Democratic Party’s “liberal” and “left” supporters of imperialist war.

Unlike 2003, when a section of the Democratic Party postured as anti-war opponents, there is a virtual consensus for war across the political establishment. This includes various pseudo-left groups like the International Socialist Organization, which were involved in organizing anti-war protests in 2003 and are now aligned with US imperialism’s aims in Syria.

Opposition to war shifts decisively to the working class. The deep opposition to Obama’s war plans, though still passive and not fully conscious, shows the enormous potential for the building of a mass, anti-war movement. This opposition must be given conscious political form. It must be rooted in a political struggle to mobilize the working class—the only genuine constituency for peace, equality and democracy—to break with the two capitalist parties and replace the outmoded profit system with socialism.

The development of such a movement requires building a new, revolutionary leadership of the American and international working class—the Socialist Equality Party and the International Committee of the Fourth International.



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