

US social crisis overshadows 2016 presidential election

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The primary campaigns to select the presidential candidates for the Democratic and Republican parties move into the decisive stage over the next four weeks, when two-thirds of all state primaries and caucuses will be completed. Eleven states have primaries on Tuesday, March 1, followed by Michigan and Mississippi on March 8 and Florida, Missouri, North Carolina and Ohio on March 15.

The American media gives round-the-clock coverage to the minutiae of capitalist politics—the insults and smears and lies hurled back and forth between the various representatives of big business seeking the nominations of the two parties. But very little attention is being paid to the conditions of life facing the working-class majority of the American population.

The reality of life in America for working people is drastically at odds with the official picture of a society in the seventh year of a slow but steady economic recovery, in which the population is generally prosperous and certainly not in desperate straits. The seething anger among working people, expressed in only a very limited and distorted way in the presidential campaign, is the product of intractable and deepening economic and social tensions.

Numerous reports released during the first two months of 2016 document the staggering dimensions of the social crisis facing working people in the United States. A majority of Americans have too little savings to pay for an emergency expense of \$1,000. One in four US adults is burdened by debts caused by medical expenses. More than one million working people are being cut off food stamps. One million retirees face pension cuts dictated by the Obama administration.

Of all these social disasters, only the lead poisoning catastrophe in Flint, Michigan has become an issue in the presidential campaign, for the most cynical of

reasons—to present the crisis, falsely, as a race issue, rather than one facing the entire working class, white, black and immigrant.

Another report on the social crisis was publicized Thursday on the front page of the *New York Times*. A study by a recently established think tank, the Economic Innovation Group, found that more than 50 million Americans live in communities—defined by postal ZIP codes—that are severely distressed economically.

The study used measures of education, poverty rate, unemployment, housing vacancy rate, median income and trends in employment and business formation to calculate figures for economic distress, showing that tens of millions “continue to feel left behind by the economic recovery.”

It identified the ten worst urban areas, in terms of economic distress, as (in order): Cleveland, Detroit, Newark, Toledo, San Bernardino, Stockton, Milwaukee, Buffalo, Memphis and Cincinnati. The state of Texas had the largest number of people living in distressed ZIP codes, 5.2 million, while the state of Mississippi had the highest proportion of its population living in distress, 40 percent.

In the most distressed 20 percent of ZIP codes, the study found, “nearly a quarter of adults have no high school degree, over half of adults are not working, and the median income is only two-thirds of the state level.” Since the 2008 Wall Street crash, these ZIP codes lost on average 6.7 percent of their jobs and 8.3 percent of their businesses. Their housing stock was on average more than 50 years old.

Contrasting the economic conditions in the distressed areas with those in high-income, high-growth areas (ZIP codes located mainly in the centers of finance and high technology, including New York City, Boston,

Dallas and the San Francisco Bay Area), EIG executive director Steve Glickman observed, “It’s almost like you are looking at two different countries.”

Other studies document the failure of the state and federal governments to provide a social “safety net” adequate to meet the needs of working people. The majority of those who receive some form of public assistance have jobs, many of them full-time, but they earn so little that they cannot make ends meet. A majority of low-paid workers, those making \$12 an hour or less, depend on some form of public assistance, principally food stamps and Medicaid.

Wages for the working class as a whole are stagnating. For the last quarter of 2015, total employment costs, the broadest measure of wages and benefits, rose a paltry 0.6 percent, bringing the total increase for the year to 2.1 percent. Only the plunge in oil prices, which has sharply reduced the cost of getting to work, has offset the impact of rising prices for necessities like food, education and medical care.

Extreme social distress has gone hand in hand with an immense growth in social inequality. The policies of the Obama administration have ensured a virtually unlimited stream of cash into the banks and financial system, and the wealth of the top 1 and 0.1 percent of the population has returned to pre-crisis levels.

Summing up data that has previously been reported on the WSWS, a recent article in *Foreign Affairs* noted, “[T]he share [of wealth] owned by the top 0.1 percent [increased] to 22 percent from nine percent three decades ago. In 2011, the top one percent of US households controlled 40 percent of the nation’s entire wealth.”

The states voting during the month of March include virtually the whole of the South, the most impoverished region in the United States. Texas, Oklahoma, Arkansas, Tennessee, Alabama, Georgia and Virginia hold primaries March 1, while Kentucky and Louisiana do so four days later. Later in the month come Mississippi, Florida and North Carolina.

Billionaire Donald Trump and former Secretary of State Hillary Clinton—herself a multimillionaire with close ties to Wall Street—are favored to sweep the Republican and Democratic primaries in the South. Yet these representatives of the American financial aristocracy are separated by an unbridgeable economic and social gulf from the working people of that region.

Trump, Clinton and the other big business politicians will jet from rally to rally, and spend tens of millions on campaign advertising. Meanwhile, the appalling living conditions faced by millions in the South were put on display as a series of major storms ravaged the region, destroying flimsily-built homes, particularly in impoverished rural areas where manufactured homes and trailers are commonplace.

The recent closures of Wal-Mart stores across the region will reportedly create three new “food deserts,” neighborhoods where residents “will lack any place that sells fresh produce and meat once the last of the Wal-Mart stores slated for closure turns off the lights.” This includes parts of Arkansas, where Clinton was once first lady and served on the board of directors of the retail giant.

No section of the political establishment, from Trump to Democratic Party candidate Bernie Sanders, has any solution to the social crisis confronting the vast majority of the population. Both Trump and Sanders have in different ways sought to appeal to immense social anger—the former by promoting anti-immigrant and racist bigotry, the latter by calling for a “political revolution” that boils down to promoting the Democratic Party, which for the past seven years has presided over a historic transfer of wealth from the working class to the rich.



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