

# A Portrait of America in Decline

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A series of reports over the past ten days—on poverty, wages, income inequality and social mobility—have painted a portrait of America starkly at odds with the official mythology of the United States as the land of unlimited economic opportunity, the country with the world’s highest standard of living.

The *World Socialist Web Site* has naturally drawn attention to these reports, but Marxist critics and opponents of American capitalism did not collect this data. On the contrary, the figures come from US government agencies like the General Accounting Office, the Congressional Budget Office, the Social Security Administration, the Bureau of the Census and the Federal Reserve Bank of New York.

That makes the picture of the real state of affairs in the America of 2011 all the more damning. Even agencies controlled by political representatives of the financial aristocracy are compelled to admit that the conditions of life for the vast majority of the American people are disastrous.

These figures demonstrate that America is a country of mounting social disparities, in which those who labor and produce all the wealth have less and less to show for it, while those who collect the profits of this labor, while playing a parasitic, destructive and thoroughly reactionary role, see their wealth accumulate to astonishing levels.

Two reports frame the dramatic social polarization in America, not so much between the rich and the poor, as between the rich and the entire rest of society.

According to figures published by the Social Security Administration on October 20, the median income for American workers in 2010 was \$26,364, not much more than the official poverty level of \$22,025 for a family of four. Given that a family making even twice the official poverty level faces real hardship and insecurity, it is no exaggeration to say that the SSA report shows that the “poor,” by any reasonable definition, constitute the absolute majority of the American people.

On the other side of the spectrum, a Congressional Budget Office study released October 25 shows that the richest 1 percent of US households saw a 275 percent increase in their income between 1979 and 2007 and more than doubled their share of the national income. While the income of this layer nearly tripled, the income of the middle 60 percent of the population rose only 40 percent over 28 years, and the income of the poorest 20 percent rose by only 18 percent.

Some other revealing statistics:

The unemployment rate for workers aged 55 or older has doubled since 2007, and the average period spent jobless has tripled. One-third of employed workers 65 and older make less than \$11 an hour, while the rates of poverty and food stamp dependence have increased sharply for this sector of the population.

The dollar amount of student loans taken out in 2010 topped \$100 billion, the largest ever total for a single year, and total student loan debt has passed the \$1 trillion mark in 2011, exceeding the total of credit card debt. Students are borrowing twice as much as they did only ten years ago to pay for their college education.

Geographical mobility in America has fallen to the lowest level reported since 1948, one reflection of the loss of opportunity particularly for the young. People cannot sell their homes or buy new ones, and the majority of young college graduates are being compelled to move back in with their parents because they cannot find work that pays enough to set up on their own.

The Gallup poll found that three times as many American workers are worried about being able to feed themselves or their families, 19 percent of the population, compared to only 6 percent of Chinese workers with similar concerns. Gallup's measure of access to basic social necessities showed that American workers were finding it more and more difficult to obtain food, adequate shelter and decent medical care.

What these figures demonstrate is both a profound social crisis, and an immense historical transformation. The United States has gone from leading the world in most social indices, including working-class living standards, to a new status as the leader, at least among the industrialized countries, in condemning the majority of its population to conditions of deprivation and misery.

The decline of American capitalism is shown in the decay of its once powerful industrial base, the crumbling of roads, bridges and other social infrastructure, and the closing of schools, libraries, hospitals and other public services. It is no wonder that more than 80 percent of the American people, according to most recent polls, feel that the country is on the wrong track.

Presiding over this decline is a financial aristocracy whose relationship to the rest of society recalls the *ancien régime* of pre-revolutionary France.

The reports and the portrait they provide of American society are a particularly damning indictment of the Obama administration and all those who presented the election of Obama as a transformative event in American politics. The real content of the past three years has been a colossal redistribution of wealth, overseen and encouraged by Obama, from the working class to the financial elite. And it only continues.

The overriding political necessity is for the working class to grasp the source of the social and economic decline. It is capitalism that has failed in the United States, and on a world scale. The system of production for profit has indeed produced record profits for the tiny minority at the top, but it has become a dead end for the working people who comprise the vast majority.

The working class must advance its own program in defense of jobs, decent education, a secure retirement and other basic social rights. This is only possible by breaking free from

the grip of the official trade unions and the Democratic Party, which uphold the interests of the banks and corporations, while falsely claiming to defend the workers.

The growing opposition to inequality and corporate control of the entire political system underlies the rise of the Occupy Wall Street movement and the mass support it has won in less than two months. But this is only an initial expression of what is to come.

The answer to the crisis of capitalism is a bold attack on the capitalists. The working class must fight for socialist demands: the expropriation of the billionaires and the entire ruling financial oligarchy, the public takeover of the major banks and corporations, and using the vast wealth produced by working people to meet social needs, not private profit.

The decisive issue in carrying forward this struggle is the building of a new, revolutionary leadership in the working class.

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