

Is the US becoming a Third World Country?

By [Global Research](#)

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During recent years, the gap between the rich and poor has increased at a staggering pace, systematically wiping the existence of the middle class from America. The United States is on the brink of sliding down to a Third World country, as it struggles with massive debts, rising unemployment and a deteriorating economy.

Some of the warning signs that indicate America's fantastic fall from a First World nation include rising unemployment and poverty.

According to Spiegel Online, the United States is recently faced with a new phenomenon called "the new poor."

In Ventura California - a luxurious resort city - about 20 percent of the residents are at risk of homelessness.

The once-rich, who have lost their homes, are now forced to sleep in their expensive cars parked in the city's corners, Captain William Finley, the head of the local branch of the Salvation Army said.

He further added that during the past months, the number of people taking advantage of the organization's free meals program has doubled. Many drive up in their BMWs to receive free food, he went on to say.

Another signal that marks the demise of America's so-called greatness is the disappearance of the middle class.

During recent years, the gap between the rich and poor has increased at a staggering pace, systematically wiping the existence of the middle class from America.

Income inequality in the US has reached a stage where only one percent of Americans own as much as 37 percent of the total national wealth.

That means that if an average CEO earned 30 times as much as an ordinary worker in 1950, today he would own 300 times as much.

Meanwhile, in its current annual report, the US Department of Agriculture stressed that some 50 million Americans were not able to afford enough food to stay healthy at some point in 2009.

It also noted that one in eight adult Americans and one in four children now survive on government food stamps. These are unbelievable numbers for the world's richest nation,

Spiegel wrote.

So far, US politicians have failed to come up with solutions to the growing crisis.

“The lights are going out all over America,” Nobel economics laureate Paul Krugman wrote last month. This is due to the fact that many US residents can no longer spend money because they have no savings.

Their houses have lost half of their value; they no longer qualify for low-interest loans; they are making less money than before or they’re unemployed. This in turn reduces or eliminates their ability to pay taxes.

As a result, many state and local governments are faced with enormous budget deficits. In Hawaii, schools are closed on some Fridays to save the state money. A county in Georgia has eliminated all public bus services and in Colorado Springs, a city of 380,000 people, a third of streetlights have been shut off to save electricity.

In fact, the United States, which is in the wake of a huge debt crisis of above 90% of GDP, is threatened by a social Ice Age more severe than anything the country has seen since the Great Depression.

This is why last month, a leading online columnist, Arianna Huffington, issued the almost apocalyptic warning that “America is in danger of becoming a Third World country.”

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