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## Collapse of the Standard of Living in the USA

Studies Reveal Declining Living Standards and Increasing Anger

Region: **USA** By <u>Hiram Lee</u> Theme: Global Economy

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A series of recent studies conducted by the Pew Research Center shed new light on the scope of the economic crisis in the US and the level of hostility the majority of the American population holds for the US government.

Released in March, before the passage of the Obama administration's health care legislation, a survey entitled "Health Care Reform—Can't Live With It, or Without It" indicates that 92 percent of Americans give the national economy a negative rating. No fewer than 70 percent of the respondents report having suffered job-related and financial problems in the past year, an increase from 59 percent the year before. Fifty-four percent report someone in their home has been without a job and looking for work in the past year, up from 39 percent in 2009.

The poll saw an aggravation of conditions in every area of economic life studied the year before. Increasing numbers of people are reporting difficulty receiving or affording medical care (26 percent) or paying their rent or mortgage payments (24 percent). More Americans faced problems with collections and credit agencies (21 percent), or had mortgages, loans or credit card applications denied (19 percent).

As could be expected, the poorest Americans are suffering the most. Some 44 percent of those making \$30,000 per year or less report difficulty obtaining medical care, compared to 11 percent of those making \$75,000 per year or more. A similar gap can be found in the category of rents and mortgages, with 37 percent of those making \$30,000 or less reporting difficulty making rent or mortgage payments, compared to 11 percent of those making \$75,000 or more. However, the percentage of those facing difficulties paying rent has increased dramatically for both groups since 2009.

Large numbers of workers polled in the study say they have little confidence in job security and prospects for the future, with almost half (49 percent) saying it is "very or somewhat likely" they will suffer "job-related financial stress" in the next year. Twenty-five percent of workers say they expect to be forced to take a pay cut this year, while 24 percent expect to be laid off.

The Pew survey found that 85 percent of Americans reported difficulty finding jobs in their communities. This and other statistics revealing the increasingly dismal employment opportunities facing millions of Americans are provided context in another study released this month by the Pew Economic Policy Group.

"A Year or More: The High Cost of Long-Term Unemployment" reports that no fewer than 44

percent of unemployed Americans met or exceeded the standard measure of long-term unemployment (six months or more) in March 2010. This marks the highest rate for long-term unemployment levels since World War II.

In addition to this, the Pew study reports that "23 percent of the nearly 15 million Americans who are unemployed have been jobless for a year or more." This translates to 3.4 million people, "roughly equivalent," the study points out, "to the population of the state of Connecticut."

These alarming numbers should be considered along with findings in another recent Pew research study entitled "The People and Their Government," released April 18. This report finds that "by almost every conceivable measure Americans are less positive and more critical of government these days."

Only 22 percent of Americans say their government can be trusted, according to the new survey. The report puts this among the lowest measures of trust in the government in half a century.

The study also shows across-the-board declines in approval ratings for numerous federal agencies, including the Department of Education, the Food and Drug Administration, the Social Security Administration, the Environmental Protection Agency, and the Centers for Disease Control and Prevention. Forty-three percent say the government has a negative effect on their daily life, up from 31 percent in 1997.

While approval ratings for the government are remarkably low, with 65 percent saying the federal government and congress have a negative impact "on the way things are going in the country," the approval ratings for other major institutions are as low or lower. Sixty-nine percent of those surveyed say banks and other financial institutions have a negative impact on the way things are going in the country, while 64 percent say "large corporations" have a negative impact. Some 57 percent say the national news media has a negative impact, while 49 percent say labor unions have such an impact.

The report states that "more than six-in-ten (62%) say it is a major problem that government policies unfairly benefit some groups while nearly as many (56%) say that government does not do enough to help average Americans."

Taken as a whole, the Pew studies from March and April offer additional insight into the growing social misery under conditions of the worst economic crisis since the Great Depression, and the outrage it is generating.

Wide layers of the population, who have seen trillions of dollars funneled from the public treasury into the coffers of Wall Street executives while their own living standards have been assaulted, their jobs slashed, their children's schools closed, and vital social programs such as Medicare cut by billions of dollars, have no faith in the US government to secure their most basic social needs.

The corporate-controlled news media, along with the major institutions overseeing the nation's educational needs and basic food and medical resources, are considered corrupt and untrustworthy, contributing to the suffering of millions.

President Barack Obama, continuing to pose as a populist man of the people when he finds it necessary or beneficial, stands exposed as the chief representative of the interests of the

American ruling elite and the standard bearer in the assault on the working class.

The restructuring of society taking place, in the direct interests of the corporate-financial elite and at the expense of the working population, is not occurring unnoticed. The American and international working class will inevitably find itself drawn into struggle against the present, untenable form of social organization.

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