

UNDER

THE

AFFLUENCE

SHAMING THE POOR, PRAISING THE RICH
AND SACRIFICING THE FUTURE OF AMERICA

TIM WISE

UNDER THE AFFLUENCE

**Shaming the Poor, Praising the Rich
and Sacrificing the Future of America**

Tim Wise



Open Media Series | City Lights Books

Copyright © 2015 by Tim Wise

All Rights Reserved

Cover design: Herb Thornby

Open Media Series Editor: Greg Ruggiero

Library of Congress Cataloging-in-Publication Data
Wise, Tim J.

Under the affluence : shaming the poor, praising the rich and sacrificing the future of America / Tim Wise.

pages cm. — (City Lights open media)

ISBN 978-0-87286-693-5 (paperback)

ISBN 978-0-87286-695-9 (ebook)

1. Equality—United States. 2. Social classes—United States. 3. Poverty—United States. 4. Wealth—United States. 5. Racism—United States. 6. Discrimination—United States. 7. United States—Economic conditions—2009– 8. United States—Social conditions—1980– I. Title.

HN90.S6W57 2015

305.0973—dc23

2015022986

City Lights Books are published at the City Lights Bookstore
261 Columbus Avenue, San Francisco, CA 94133
www.citylights.com

Contents

Introduction 7

I. Pulling Apart: The State of Disunited America 29

Joblessness and Underemployment in Post-Recession America 34

Poverty, Wage Stagnation and Deprivation Amid “Recovery” 37

Income and Wealth Inequality: Long-Term Trends and Current Realities 44

But What About Mobility? Aren’t the Poor Just Temporarily Embarrassed Millionaires? 54

Whodunit? Exploring the Causes of Growing American Inequality 57

Some Final Words About Race and the Economic Crisis 73

II. Resurrecting Scrooge: Rhetoric and Policy in a Culture of Cruelty 77

Past as Prologue: The Origins of Class and Cruelty in America 81

The Reformation: From Social Gospel to the New Deal and Beyond 84

The Restoration: Backlash, Reaganism and the Liberal Capitulation 89

Bashing the War on Poverty: The Presumption of Failure, the Reality of Success 96

Victim Blaming, Poverty Shaming and Culture Defaming in Modern America 99

The Real Reasons for Unemployment, Poverty and Welfare 158

Loving the One Percent: The Valorization of the Rich and Powerful 164

With Justice for None: The Implications of a Culture of Cruelty 213

III. Redeeming Scrooge: Fostering a Culture of Compassion 225

How Did We Get Here? The Importance of Seeing the Roadblocks Clearly 229

Beyond Facts: The Importance of Storytelling 273

Some Things Are Not Negotiable: Developing a Vision of a Culture of Compassion 294

Moving to Self-Determination: Empowering Communities to Control Their Destiny 302

Notes 314

About the Author 361

INTRODUCTION

When Charles Dickens began *A Tale of Two Cities* with the famous line “It was the best of times, it was the worst of times,” he was referring to conditions in eighteenth-century London and Paris, prior to the French Revolution: a time during which the splendor of great wealth and power rested uncomfortably aside the rising discontent of the masses. Pointing out the grotesque economic, social and moral contradictions of feudal Europe was Dickens’s purpose, accomplished by the author in a style and to an extent rarely matched before or since. And yet, although it was a very different time and a very different place than that in which (and from which) I write these words today, much of modern life in the United States calls to mind this opening literary salvo, for here too we can see a tale of two cities, or rather, two nations, increasingly in conflict.

On the one hand, millionaires and even billionaires are being minted at a dizzying pace. McMansions, high-end real estate developments and gated communities are popping up all over the country, barely slowed for even a moment by the economic crisis that struck in the first few months of 2008. The high-end luxury market for everything from cars to private planes to vacation packages to fashion is steaming ahead full bore, with those able to access said markets earning more than ever, able to create for themselves a secure, private and cloistered world. This is an America that regularly pampers its pets at luxurious day spas, adds to its already impressive wine cellars bottles that will never be drunk but are merely to be possessed, and takes regular weekend trips to places most Americans will never see except by way of a

Google search.¹ This is an America willing and able to pay \$1 million for a guaranteed parking spot in New York's SoHo,² or \$9,000 a year to have their own private Facebook rip-off called Netropolitan,³ which allows them to avoid having their feed cluttered with pictures of middle-class people's cats. This is an America where the thirteen-year-old children of the nation's wealthy help their parents pick out multimillion-dollar condos for the family,⁴ and where twenty-two-year-olds to whom the *New York Times* refers as "creative souls" wince at the prospects of finding decent places to live in the city for a mere \$3,700 per month.⁵ It's an America that throws \$50,000 birthday parties for its children because you're only seven once, and it's an America whose richest college students hire "concierge" services to help them do everything: "decorate apartments, get academic tutoring, snag coveted restaurant reservations and handle a litany of other bothersome chores," not to mention assisting them when it comes to getting bidets installed in their fancy bathrooms.⁶

On the other hand, and in stark contrast to this America of ostentatious wealth, there is another, very different, country. Although housed within the borders of the nation itself, it looks nothing like the one previously mentioned; it exists almost as a parallel universe, in which the inhabitants technically share the same galaxy as their better-off cousins and yet experience life entirely differently. It is a world in which millions of households continue to struggle, irrespective of the loudly trumpeted assurances from financial elites that economic recovery is upon us. It's a world in which families continue to face the loss of their homes to foreclosure, and where a serious health emergency can still bankrupt families; where the cost of higher education remains prohibitive for millions; where hundreds of thousands each night face homelessness and food insecurity; where the food pantries and shelters meant to care for such persons as these are short on supplies and space,⁷ and where long-term unemployment—jobless spells lasting twenty-six, fifty-two, even ninety-nine weeks or more—are increasingly common. Millions who lost their jobs

during the Great Recession are only now beginning to crawl out of the financial hole into which their families fell; and for many, if they have found new work, it is for lower pay, fewer benefits, and less real security than they enjoyed in their previous positions.

These two Americas pass each other occasionally on the street, in the line at a fast-food restaurant or coffee shop, at the grocery, at a sporting event, or in the park on a sunny day. Members of each America may listen to much of the same music, go to the same movies, and watch many of the same television shows; and yet their occasional proximity to one another does little to bridge the experiential gap between them. They may be watching the same game, so to speak, but some are watching it from increasingly remote skyboxes while others are nestled down in the worst possible general admission seats, and still others are having to watch from home on a barely functioning television set. It is not merely that two Americas exist, but that they are pulling farther and farther apart. In some particularly disturbing cases, these two Americas live right next door to one another, in apartment buildings in New York, for instance—but those with lower incomes are being asked to use separate entrances to the same buildings,⁸ are prevented from using various building amenities,⁹ or have their balcony space limited by a wire fence, behind which they must remain, unlike their more affluent neighbors.¹⁰ In places like San Francisco, where the tech boom has produced staggering amounts of new wealth, tens of thousands of others are struggling to survive in a city where the gap between rich and poor is now actually higher than in Rwanda and only slightly less extreme than it is in Guatemala.¹¹

That said, this book is not about those disparities per se. Plenty of writers have tackled that subject, documenting in painstaking detail the ways that inequality is deepening. Although I too will recite some of the woeful evidence of this increasing economic divide, my task here is less to describe the existence of two Americas than to provide some analytical framework for understanding how we got here and why it matters. For our problem is

not merely a material one: it is not simply that we are becoming more unjust in terms of income and wealth distribution; we are also becoming a place where the way we *speak* about matters of inequality and economic injustice is increasingly disturbing. As the title of this book suggests, we are a nation increasingly “under the affluence,” meaning not only the power of those with excess wealth, but also subordinated to a mentality and ideology of affluence, the effect of which is to rationalize and normalize inequities, no matter how vast and how deep. The end result of all this has been to deepen a culture of cruelty, in which the conditions of the impoverished, the underemployed and the struggling are justified as the inevitable result of inadequate effort on their part, or of cultural flaws, while the wealth and success of the rich are likewise rationalized as owing to their superior talent or value systems.

With all due respect to those who have raised the issue of inequality in the past several years, including activists in the Occupy movement, the broader trends in terms of how we talk about economic disparity are not promising. Increasingly, the right-wing media, politicians and their followers demonize the poor, the unemployed, those lacking health care or those in need of public assistance. The have-nots and have-lessers are dehumanized while the rich are venerated. The political narrative of the “makers and the takers”—those who create wealth and those who are presumably dependent on others—has become not merely a passing political meme, as with the 2012 presidential election; indeed, it has become an almost routine ideological construct, parroted by talk-show hosts and talking heads, and believed by millions who follow their every word. Although most Republicans running for president in 2016 have avoided the polarizing rhetoric that damaged Mitt Romney in the last race, there have been exceptions, as with Donald Trump’s vicious attacks on Mexican people. And with the conservative narrative tethered to the notion that the rich create value and the poor live off the rest of us, it is unlikely that top-down class warfare will remain in abeyance for long.

The purpose of this volume is to document the increasingly vituperative narrative of cruelty as regards those at the bottom of the nation's class structure, and to understand why the United States, virtually alone among modern democracies, seems so hostile toward the poor and those in need. What separates us in this regard from the nations with which we like to compare ourselves, nearly all of which have far more generous programs of social uplift, from guaranteed national health care to paid maternity (and even paternity) leave to more extensive unemployment insurance? And why has the national mood about such government efforts on behalf of those in need turned increasingly sour in recent decades?

After all, it wasn't always like this: there was a period from roughly the 1930s until the early 1970s during which large numbers of Americans embraced a more robust and proactive role for government in fighting inequality and ensuring opportunity. Aware of the cruelties of the Gilded Age and the era of the corporate robber barons, Americans had become increasingly skeptical of great fortunes and those who possessed them. The idea that the state had a role to play in the fulfillment of the so-called American Dream was one that was largely accepted by the nation's people. Although the commitment to this ideal was highly selective—so that, as we'll discuss, the programs of the New Deal that were instrumental in creating the white middle class were made largely off-limits to persons of color—there was still a general consensus in the land that the nation had an obligation to help those who were unemployed, poor or hungry (at least so long as they were white). Today, even that race-bound consensus has largely been obliterated. So when and why did the public mood in this regard shift, and what does that tell us about the challenges that lie ahead? It is this question that drives much of the discussion in this book. That, and then the obvious follow-up: How do we move from a growing culture of cruelty to a culture of compassion where we not only perceive and relate to our fellow Americans with a sense of solidarity, but in which public policy reflects community, mutual kindness and concern, and where the idea of the

common good is revived so as to replace the alienating, disconnected individualism that threatens to destroy us?

For those familiar with my work, this may seem like a strange departure for me. For someone whose writing and activism have centered mostly on matters of race and racism, a book concerning the nation's class divide and its dangers may appear to be an odd detour. But actually, this volume is a logical extension of that previous work and is much informed by it. The class system in the United States has a very different provenance than class systems in other societies, and much of that difference concerns the unique role of racism and white supremacy in the development of America's economic hierarchy. It is this unique history and the centrality of racism to the development of America's class system that undergirds the culture of cruelty about which this book is concerned. The intersections of race and class have made addressing inequalities here more complicated than in many other modern democracies with more monocultural populations. Unless we understand that, attempts to rectify the current situation will likely fail. It is precisely the lack of a racial analysis among many progressives who focus on economic matters, which makes this volume necessary.

Far from a radical departure, this is a book that has been a long time coming for me. As a young activist I often found myself discussing the ways in which impoverished communities were scapegoated by the political right. My first job out of college was as a youth coordinator and then assistant director of the main group charged with derailing the political campaigns of neo-Nazi and lifelong white supremacist David Duke. Duke, the former Ku Klux Klan leader, had been elected to the Louisiana legislature in 1989, largely by bashing social welfare programs and those receiving benefits from them. By 1990 and 1991 he was seeking to turn resentment toward the poor and those on public assistance, especially blacks, to his advantage as he ran for the United States Senate and then governor of Louisiana. By accusing so-called "welfare mothers" of fraud, laziness and an insatiable desire to

birth children out of wedlock, Duke ramped up a narrative that was not his alone—it had become by then a staple of conservative politics going back at least a quarter-century—but which in many ways he had honed to unique and disturbing effect. Much of my time in those campaigns was spent organizing in communities where fending off these racist and classist narratives became the primary job description.

My time in New Orleans has everything to do with why I decided to write this book. I lived there from 1986 to 1996, and my understanding of matters both racial and economic largely owes to that experience. It was from community activists as much as my professors at Tulane that I learned about inequality in America. Since I left, their lessons have only become clearer, especially in the wake of Hurricane Katrina in 2005, and its aftermath. I've traveled to New Orleans many times since, and have witnessed both the ongoing problems of poverty and racial inequity, as well as the way city leaders have put on a polished patina for tourists as if the tragedy had never happened. Developers have swooped in and redesigned entire neighborhoods for more affluent residents, while landlords have hiked rents from a third to seventy-five percent above pre-storm averages. Meanwhile, most of the city's public housing stock has been destroyed, with the residents displaced but rarely relocated in comparable and affordable private housing. New Orleans is a city of distinct haves and have-nots, even more so than before, with the second-largest gap between the rich and the poor of any city in the United States¹²—a tale of two cities, indeed.

Having worked in several public housing developments in New Orleans during the mid-1990s, after the work against David Duke, I came to know hundreds of the folks who called those communities home. There I learned—far more so than I could have from academic books or scholarly research—that the perceptions we often have of people in public housing (and of the poor more generally) are little more than vile caricatures. It was during that time that I came to know Donna Johnigan, a resi-

dent of public housing and a colleague at Agenda for Children, the community-based group for which I did my organizing. One weekend her son was murdered, one of more than three hundred young black men killed that year in the city; yet, come Monday, she was at work, insisting that she had a job to do and was determined to do it. I remember thinking how often throughout my life, and even at that particular job, I had called in sick for no better reason than being tired or because I had been out too late the night before; but here was a mother who had just buried her son and who was nonetheless rolling up her sleeves and getting back to the work at hand. This, in a society that too often deems as lazy those who live in public housing or receive other forms of public assistance. America has never met Donna Johnigan, either literally or figuratively; most Americans do not even know that persons such as she exist.

Several years after I had left New Orleans, I stumbled upon a news item in the online version of the *Times Picayune*, the city's main newspaper, that prompted me to pen this volume. It was late July 2012 when I came across the piece, featuring a photo of a young black child on the steps outside an apartment in the Iberville housing development, which sits to the side of the French Quarter and slightly up from Canal Street—the main artery of the Central Business District.¹³ The photo bore little relationship to the article it accompanied (which concerned the pending implosion of a nearby office building and fears that dust produced by its destruction might pose a health risk), but in all likelihood attracted more attention than the story itself, seeing as how it pictured that child sitting on a project stoop holding what appeared to be an iPad.

It shouldn't be too difficult to envision the outrage that greeted the site's comment boards and streamed into the personal email of the author of the article that accompanied the photo.¹⁴ Some asked, with only the most thinly veiled hostility: How could someone in the projects afford an iPad? It just goes to show the ubiquity of welfare fraud, suggested others. There were resent-

ments too, as some indicated that they couldn't afford an iPad for their own children but here was someone in the projects who had one. The general tenor of the reaction was swift, furious and disturbing. Later revelations that the child's parents had bought him the iPad with their own money, and that he had only been visiting relatives in the neighborhood, helped stanch the anger among some, but even then, merely reinforced the larger point: namely, if he *had* been a project resident, he surely would not have deserved the luxury of technology that proved out of reach to so many others. If he *had* been a resident of the so-called ghetto, he would clearly be of such inferior stock as to barely merit compassion at all, or so the logic seemed to suggest.

It's the kind of narrative that has long been typical in this country. When I worked in the city's public housing developments and would tell people what I did, they would almost always express their disdain for those I was working with, none of whom they had ever met. The poor and those in public housing were lazy fraudsters in their estimation, gaming the system, and of course, they all needed to take "personal responsibility" for their lives rather than expecting the government to take care of them. It didn't matter to these folks that most of their beliefs about low-income communities were wrong, as we'll see. They knew what they knew. Facts could hardly dislodge the fervently held fictions to which they seemed so indissolubly wedded.

It was a narrative that reemerged with a vengeance after Katrina, at which point conservative commentators rapidly retreated to blame-the-victim mode, bashing the poor of the city for not having the wherewithal to evacuate before the flooding due to a well-entrenched dependence on government bred by the welfare state.¹⁵ This they insisted upon, even though census data indicated there had only been 4,600 households in New Orleans receiving cash welfare at the time of the flooding—4,600 households out of a citywide total of 225,000 households.¹⁶ With a typical household size of two to three persons, this means that even if *all* 120,000 people stuck in New Orleans during Katrina had been poor, and

even if no one receiving public assistance had managed to escape before the flooding, no more than ten percent of those stuck during the flooding would have been welfare recipients, let alone persons rendered dependent on benefits for long periods. Indeed, the notion of dependence on such benefits was laughable: at the time of Katrina, the average cash benefit for New Orleans households receiving aid under the Temporary Assistance for Needy Families program (TANF) came to only about \$2,800 *per year*.¹⁷ Even food stamps (now known as SNAP, or the Supplemental Nutrition Assistance Program)—a program with more lenient terms allowing even the near-poor to qualify for minimal benefits—were only received by eleven percent of New Orleans households as of Katrina. Clearly, such minimal coverage was hardly indicative of a general mindset of welfare entitlement in the city.¹⁸

Even in the poorest communities of New Orleans, like the Iberville or Lafitte housing developments or parts of Central City, at least one-third and often a majority of households reported income from paid employment before Katrina.¹⁹ By the time of the aforementioned article on Iberville and the photo that accompanied it, the residents of the community bore little resemblance to the stereotype. Among households in Iberville, two out of three were *not* headed by a single mother with children, roughly three in four adults had at least a high school diploma or GED, and nearly half of all resident income was being earned from employment. Another thirty-six percent of resident income came from Social Security payments to elderly residents and the disabled,²⁰ who together comprised nearly a third of all heads of household in the community.²¹ Only 7.5 percent of income there was represented by TANF benefits, or what most call “welfare.” In other words, residents of Iberville were far more likely to receive income from work (either past or present) or from disability payments than from cash assistance.

Upon seeing the photo and again being exposed to the vitriol regularly aimed at some of the nation’s most vulnerable, I began thinking about what such a display might mean. What might it

say about the times we live in and the culture we share? What might such hostility, such resentment, such contempt for the poor say about where we're headed as a nation? Since bashing the poor has been so common in recent decades, some might say there was nothing particularly remarkable about the response to that photograph. But something about it struck me as deeply indicative of a broader national trend, something even angrier and uglier than much of the rhetoric many of us remember hearing during the 1980s, when Ronald Reagan had come to power criticizing "welfare queens" and promising to pare back public assistance.

As we'll see, it is not just that attitudes toward the poor seem more vicious than ever; there is also an increasing and parallel valorization of the rich, and a concerted effort on the part of some to justify the growing gaps in income and wealth between the nation's haves and have-nots. As the Occupy movement—which emerged in 2011 and sought to challenge inequality between the nation's wealthiest one percent and the bottom ninety-nine percent—gained steam, America's wealthy began working overtime to rationalize their status. During the 2012 presidential campaign, Republican candidate Mitt Romney suggested that there were forty-seven percent of Americans whom he could never reach because they didn't want to work and were comfortable living on government handouts. Meanwhile, his Republican running mate, Congressman Paul Ryan, has claimed that as many as six in ten Americans are "takers" rather than "makers" because they receive one or another form of government assistance. It's a familiar tune repeated regularly by *Fox News* commentators and the nation's most prominent talk show hosts.

This seems different to me. While the Reaganites supported tax cuts for the wealthy and seemed to believe the poor suffered a plethora of character flaws that explained their condition, I never really felt that Reagan and his ilk *hated* the poor. In those days, conservative support for policies intended to benefit the rich was always couched in rhetoric that suggested such efforts would directly benefit low-income persons. No matter the evidence, they

really seemed to sincerely believe that the benefits of tax cuts for the wealthy would “trickle down” to the rest of us. If nothing else, they had felt compelled, either morally or politically, to at least *make* that case. It was Ronald Reagan, along with congressional liberals, who supported expanding the Earned Income Tax Credit for the working poor. It was Jack Kemp, the late Republican congressman and vice-presidential candidate in 1996, who campaigned in public housing and stumped for programs that would help public housing residents own their own units.

These days, commentators and politicians don’t even bother pretending that their ideas are about benefiting the working class or poor. Those at the bottom are increasingly an afterthought, just as removed from the minds of the aristocracy as they are separated from them physically, thanks to the gated communities in which so many of the nation’s affluent live. One would have to be given to particularly bizarre hallucinations to imagine a world in which Mitt Romney or Sarah Palin might campaign in public housing projects as Kemp did, or indeed to imagine a Republican Party in which the likes of Jack Kemp would even be welcomed today. While the Reagan years brought plenty of policy changes that amounted to institutional cruelty, now those same kinds of policies (this time on steroids) are being proposed alongside a much more vicious and dehumanizing rhetoric. That rhetoric, by undermining the compassion that might otherwise lead folks to reject proposals to slash-and-burn antipoverty budgets, makes the current moment more dangerous than the bad old days of the 1980s—especially given 24-hour news and talk radio, which allow the proponents of such cruelty to reach larger audiences than ever before.

Since beginning work on this volume, evidence for the culture of cruelty has only become clearer. In both rhetoric and policy, things are getting uglier by the week. Republican governors have refused to expand Medicaid in their states, leaving millions without the health care guarantees that would otherwise have applied to them as part of the Affordable Care Act (so-called Obam-

acare), while conservative congresspersons fight any increase in the federal minimum wage despite its inadequacy at the current level, to support the many families who rely on it. For his part, President Obama has proven largely unwilling to resist austerity measures favored by the political right and Wall Street so as to tame budget deficits, even though the deficit recently fell to its lowest point since he took office and half the level it was when George W. Bush left the White House.²²

Indeed, President Obama was so desirous of being seen as a deficit hawk himself, he moved to deficit reduction as a “bipartisan” goal immediately after pushing through a stimulus bill that most economists agreed was too small to reverse the economy’s slide. The pivot to deficits forced an agreement on spending that ultimately guaranteed the government sequester of 2013 and the resulting spending limits in place since then.²³ Although he briefly railed against rising inequality in late 2013, the president has since moved away from such arguments, returning to the safer but less specific trope of “providing opportunity to all.” While no doubt a safer political narrative, the wording of the switch glosses over the uncomfortable truth that inequality itself is what currently impedes opportunity for millions. Despite sounding recent populist notes—calling for expanded public spending and higher taxes on the wealthy to pay for it—these efforts are likely too little, too late, given the Republican takeover of both houses of Congress in the 2014 mid-terms. Already, the GOP leadership has announced it will seek more tax cuts for corporations, while holding the line on significant new spending and even cutting spending in several key areas if possible.²⁴ Meanwhile, many on the right continue to push for the repeal of the Affordable Care Act—a move that would roll back health care coverage for millions—even as the Supreme Court has repeatedly upheld its constitutionality and rebuffed efforts to overturn it via lawsuits. Despite signs that the economy is beginning to improve for some—though far too slowly for most Americans, and only to an extent that will make up for some of their losses in the past decade—Republican plans to

slash spending as well as taxes on the nation's wealthy could send the country back into a fiscal tailspin. There are likely to be some very dim days ahead, especially considering how reluctant most mainstream Democrats are to focus on chronic economic injustice as a central campaign issue. Worried about the large sums of money needed by presidential candidates in the modern era, and aware of how much of that money resides with the financier class in the wealthiest fraction of the population, the Democratic Party has largely downplayed the matter of class warfare from above, even as that warfare is waged relentlessly on the American public.

As for this volume, in the first chapter I will examine the ongoing economic crisis and its effects on the nation's most vulnerable, and contrast their experiences with those of the affluent, who in many ways have never done better. I will place current inequality in historical context and explore the various explanations for it. This chapter will examine persistent poverty and unemployment, as well as income and wealth inequality. I will also explore the myth of upward mobility and demonstrate that counter to aristocratic narratives, which insist that America remains a place where people can easily move from rags to riches, we are actually becoming less and less mobile, both in relation to our own past and when compared to other nations.

In the second chapter, I will document the extent to which growing inequality has been met with an increasingly hostile rhetoric in which the poor and needy are demonized while the wealthy are venerated, and inequality is rationalized and justified as merely reflecting differences between productive and unproductive people. I will offer factual and analytical rebuttals to common critiques of Americans who are impoverished, underemployed and eligible for public assistance, and explore what this often hateful and entirely incorrect rhetoric portends in terms of national policy. Likewise, I will examine common narratives of praise for the rich and similarly rebut the arguments made to justify that praise: that the rich shoulder a disproportionate share of the nation's tax burden; that they have "earned" their fortunes and

position; and that they, unlike the poor, don't rely on help from the government. Importantly, I will demonstrate that contrary to the popular "culture of poverty" theory, which holds that the impoverished find themselves in such a position due to pathological and dysfunctional cultural attributes, it is actually a small group of economic minorities—those who hoard wealth and harm the overall well-being of most Americans in the process—who actually demonstrate the most destructive behaviors, values and cultural tendencies.²⁵ The problem is not a culture of poverty; rather, it is a culture of predatory affluence.

In the third chapter, I will discuss how we might rebuild a culture of compassion and equity, and defeat the culture of cruelty documented in the previous two sections. Central to this process is having a clear understanding of what we're up against. If we don't understand how the right has established cruelty as a national rhetorical and policy norm, we can't possibly build a counter-narrative, let alone a political movement to challenge and defeat it. It is my contention that there are two primary forces operating in concert to push a culture of cruelty forward, both of which have long blunted class-conscious organizing among those at the bottom of the nation's economic structure, and as a result have strengthened the hand of the wealthiest among us.

The first factor is the nation's core ideology itself: meritocracy and rugged individualism. It is this notion—the idea that anyone can make it in America if they try—that has long bedeviled attempts to create a more equitable society. If one believes in this fundamental ideology of Americanism, it becomes easy to look at those who don't succeed in life and conclude that they have no one but themselves to blame. Likewise, it becomes easy to view the successful as exemplars of hard work and inherent talent. Even though Americans are expressing concerns about rampant inequality in ways they haven't for many years, there is evidence that the vast majority continue to adhere to a stubborn faith in meritocracy, which makes combatting the culture of cruelty more difficult. With the mass media daily presenting images of wealth

and celebrity as “normal,” faith in meritocracy becomes harder to shake. Unfortunately, too often liberals fail to challenge the notion of American exceptionalism and meritocracy—or even feed these ideas directly by their rhetoric—and in so doing, undermine support for economic equity and justice for all.

The second critical factor—in some ways as central to the development of America as the notion of meritocracy—is the role of white racial bias in dividing the nation’s working class and, over the last several decades, shaping hostility to those in need and the programs designed to support persons who are struggling. As I will demonstrate in this chapter, the rich have regularly sought to play white workers off against people of color, sowing racial hostility against black, Asian and Latino labor as a way to divert attention from their own exploitation of white workers. Sadly, the relative elevation of whites over people of color, combined with the rhetoric of racial supremacy meant to justify racial division, has proven effective over the years. It has created both a “psychological wage” of whiteness, as W.E.B. Du Bois first termed it, and also a real material stake in the perpetuation of white supremacy. But this stake, though real, is also fraught with danger. By cleaving to whiteness, even at the expense of their overall economic interests—which would frankly be better served by solidarity with the black and brown—white workers have fallen into a trap. From colonial times to the present era, racism has divided working people, strengthened the hand of capital relative to labor, and thereby helped further the inequalities that are the material engine of the culture of cruelty.

Likewise, racism and the manipulation of white racial resentment have been critical to stoking opposition to government programs to help those in need. Widespread public support for government programs to address unemployment and poverty, which was normative in the wake of the Depression and for several decades after it, began to dissipate rapidly as soon as the public face of those things came to be black and brown. As persons of color gained access to government programs that had

previously been largely if not exclusively the purview of whites, narratives about fraud, abuse and the “undeserving poor” gained traction. Because welfare programs are now so linked in the white imagination with blacks and Latinos, millions of whites who would benefit from a more generous safety net go without, all because racial scapegoating by political aristocrats has stigmatized such efforts and prompted lean budgets with little forbearance for those who are struggling. There is even some evidence that racial bias against black folks is the factor that most directly explains the inadequacy of the nation’s welfare efforts when compared to those of other industrialized democracies. Unfortunately, many liberal and left voices on the larger issue of inequality give little attention to the centrality of racial bias in the perpetuation of America’s class structure, and thus make altering it infinitely more difficult.

After establishing the persistent obstacles to building a more just and equitable society, I will then examine some of the rhetorical and movement-building strategies we might use to break through those obstacles. The good news is that there are ways to build an effective counter-narrative to the culture of cruelty and to emerge intact from under the affluence, a counter-narrative rooted in a deeply ethical vision that can speak to the desire of most Americans to live out the best aspect of our national creed—the non-negotiable promise of freedom, equality and justice for all.

I realize that for many—and especially those of us on the political left—paens to the national creed might seem horribly regressive, even nationalistic in a way we normally spurn. This is especially true considering that other aspects of American ideology, which some might also consider creedal notions—like rugged individualism, about which I’ll have more to say later, and little of it positive—contribute so heavily to the very inequalities this volume seeks to critique. And yet to accept that the national creed as a whole, or that American ideals per se are so inherently reactionary and intrinsically flawed that they must be avoided and

even openly spurned is unwise for two reasons. First, as a strategy for building social movements in the United States it is the height of dogmatic ignorance. Most Americans feel a strong pull from the concept of Americanism, however much that notion has been historically misused, and however much certain aspects of it, like the myth of meritocracy, actually serve to undermine its more laudable aspects, like the quest for equality and justice. As such, to suggest that those who take inspiration from the national creed are little more than brainwashed, hyper-patriotic fools is to ensure that our movements for a more equitable society will fail. No revolution in the history of the world has developed from beneath a soil watered with contempt for the people one hopes to organize. Quite the contrary, revolutionaries always start with a love for the people and a love for the nation they seek to change. It is by appealing to the national principles—and by showing how the forces of repression and injustice regularly violate those principles, trampling on them in the name of expedience and domination by the wealthy—that revolutions are won. We can and we must tease out of the national creed those parts that serve the common good, while strenuously critiquing those parts that run counter to such a purpose.

Second, and equally important, to avoid appealing to the national creed simply because reactionary and autocratic forces have so often used such an appeal in the name of repression is to forever cede the notion of Americanism to those on the right; it is to grant them the patent on the country and the culture, to invest them with the rhetorical copyright, and to make believable their insistence that we are the ones bent on violating the country's principles, that *we* are the ones whose beliefs are un-American. Progressive forces must reframe the debate and demonstrate how inequality and elitism—though longstanding parts of the American practice—fundamentally strike at the heart of the American *ideal*; refusing to appeal to those ideals will leave those on the left increasingly vulnerable and isolated. Rather than making *them* defend inequality and the culture of cruelty as the highest calling of

the nation, refusing to appeal to the American ideal will force *us* to prove how equity and compassion fit with those concepts in the face of the other side's isolated individualism. That such a choice would make our job far harder should be readily apparent.

And the simple fact is, the right does not own the national creed, however much they profess to be its natural guardians. Individualism, though surely a part of the national self-concept, has long existed side by side with a countervailing focus on the collective good and the concept of community well-being. From the colonial period to the Revolution itself to the Civil War, Great Depression, World War II and even the aftermath of 9/11, the national narrative has always held up the concept that the United States was, is, and can continue to be an ideational place, and that the idea of America has been one of *E Pluribus Unum* ("Out of Many, One"). That the motto and ideal have been regularly and consistently violated by the evil of white supremacy and a vicious system of class division, among other things, hardly alters the fact that such concepts are embedded in the conceptual framework of the culture. They are deeply felt symbols resonant with meaning for Americans, however much they have been routinely sacrificed on the altar of elitism and the interests of the few.

It is with this in mind that we who seek to build a more just and equitable society can do so without having to go outside the contours of the American framework. While we can and should be willing to borrow liberally from the lessons of other nations and from international human rights standards and treaties, we can also look inward to the best of our own tradition in order to create a new and better nation. The notion of collective uplift and a common good is not counter to our tradition but part of it, at least in theory; it is not some exotic notion from a galaxy beyond our own, but a concept that has lived at the heart of the national framework from the beginning; and it is every bit as central to that framework as the commitment to individualism.

In the modern era, to whatever extent individualism has been

a central component of the so-called American dream it was always linked to a broader notion of collective uplift. In fact, the very phrase “American Dream” was not popularized until the early 1930s, and at the time was understood to be a concept inherently linked to the ideal of a more equitable national community—one that was being damaged greatly by rampant individualism and materialism. As literary scholar Sarah Churchwell explained recently, discussing the cultural importance of F. Scott Fitzgerald’s *The Great Gatsby*:

As a catchphrase, the American dream did not explode into popular culture until the 1931 publication of a book called *The Epic of America* by James Truslow Adams, which spoke of “the American dream of a better, richer and happier life for all our citizens of every rank, which is the greatest contribution we have made to the thought and welfare of the world. That dream or hope has been present from the start. Ever since we became an independent nation, each generation has seen an uprising of ordinary Americans to save that dream from the forces that appear to be overwhelming it. . . .” In the early years of the great depression Adams’s book sparked a great national debate about the promise of America as a place that fosters “the genuine worth of each man or woman. . . .” Two years later, a *New York Times* article noted: “Get-rich-quick and gambling was the bane of our life before the smash”; they were also what caused the “smash” itself in 1929. By 1933, Adams was writing in the *New York Times* of the way the American dream had been hijacked: “Throughout our history, the pure gold of this vision has been heavily alloyed with the dross of materialistic aims . . . the making of money and the enjoying of what money could buy too often became our ideal of a full and satisfying life. The struggle of each against all for the dazzling prizes destroyed in

some measure both our private ideals and our sense of social obligation. . . .”

Importantly, as Churchwell points out, “The phrase the American dream was first invented, in other words, to describe a failure, not a promise: or rather, a broken promise, a dream that was continually faltering beneath the rampant monopoly capitalism that set each struggling against all; and it is no coincidence that it was first popularized during the early years of the Great Depression.”²⁶

In short, to whatever extent the American Dream is endangered, it is not by movements for more equality—not by the left—but by the current reality of economic oligarchy and those right-wing and neoliberal voices who defend said oligarchy against the tides of change. It is my firm belief that by engaging this discussion honestly and openly it may yet be possible to develop a truly radical Americanism, which would usher in a very different and more compassionate consciousness than the one that holds sway at present. By openly challenging the nation’s secular gospel—the myth of meritocracy and the sufficiency of rugged individualism to foster success—we can produce a counter-narrative to the culture of cruelty. By telling our own stories of how we personally have benefited from government interventions in the economy, or from friends, connections and even simple luck, we can chip away at the idea that the wealthy have “earned” all they have while the poor similarly deserve their station. To confront the creation myth of a culture is never a simple task, but in this case it is a necessary one, and in the final chapter I will explore ways we might begin to craft such a confrontation.

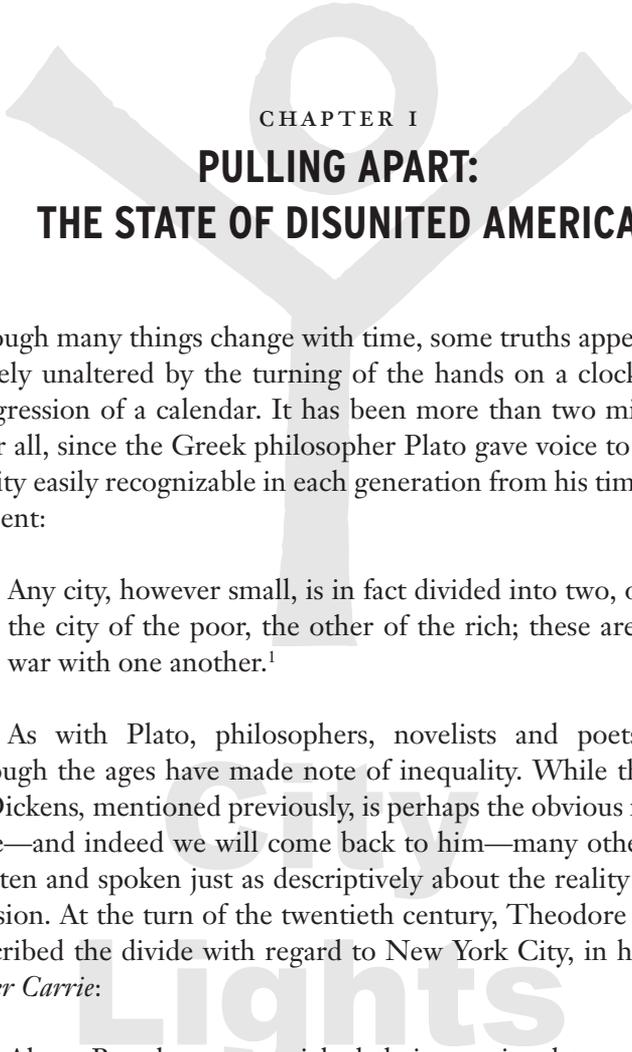
I would like to thank those who have been central to my understanding of the dynamics of inequality over the years and are therefore implicated in this work. Especially the late Shelly Coverman, Ron King, Lance Hill, Larry Powell, Ron Chisom, Barbara Major, Donna Johnigan, David Billings, Diana Dunn, Marjorie Freeman, William Ryan, Angela Y. Davis, bell hooks,

Randall Robinson, Kimberlé Crenshaw, Melvin Oliver and Thomas Shapiro, Michelle Alexander, Sut Jhally, Eduardo Bonilla-Silva, Charles Ogletree, Howard Zinn, Doug Henwood, Ishmael Reed, Noel Ignatiev, Paul Marcus, Felicia Gustin, Jean Caiani, Michael Eric Dyson, Joe Feagin, Anne Braden, Derrick Jensen, James Baldwin, Ted Allen, Mab Segrest, Thandeka, Sharon Martinas, Stuart Hall, Michael Benitez, Chris Crass, Alicia Garza, Patrisse Cullors, Opal Tometi and John Bracey. To all my friends and colleagues with whom I have worked and laughed and cried and struggled throughout the years, and who have stuck with me through good times and bad, thank you. To my editor, Greg Ruggiero, and to all the folks at City Lights, thanks for your patience as I slowly went through the process of birthing this, our fourth book together. To Jamie Lynn Moeller, who provided substantial and critical research assistance throughout this process, there is no way to thank you enough. To my best friend, Albert Jones, as always, thank you for advice, insight and camaraderie these past forty years. To my wife Kristy, and our children, Ashton and Rachel: you make my life more complete than I could have ever imagined was possible. I am honored to be in your lives and I hope I bring honor and fullness to yours.

Finally, to A.R. Ward: Remember that email debate we were having a while back about antipoverty efforts, the size of government and racial inequality? Remember how we went back and forth for two rounds and then I dropped the ball and never got back to you on your final rebuttal? Yeah, well—*this*. (Drops the mic, walks away.)

Nashville, Tennessee

July 2015



CHAPTER I

**PULLING APART:
THE STATE OF DISUNITED AMERICA**

Though many things change with time, some truths appear to be largely unaltered by the turning of the hands on a clock or the progression of a calendar. It has been more than two millennia, after all, since the Greek philosopher Plato gave voice to a social reality easily recognizable in each generation from his time to the present:

Any city, however small, is in fact divided into two, one the city of the poor, the other of the rich; these are at war with one another.¹

As with Plato, philosophers, novelists and poets down through the ages have made note of inequality. While the work of Dickens, mentioned previously, is perhaps the obvious referent here—and indeed we will come back to him—many others have written and spoken just as descriptively about the reality of class division. At the turn of the twentieth century, Theodore Dreiser described the divide with regard to New York City, in his novel *Sister Carrie*:

Along Broadway men picked their way in ulsters and umbrellas. Along the Bowery, men slouched through it with collars and hats pulled over their ears. In the former thoroughfare businessmen and travelers were mak-

ing for comfortable hotels. In the latter, crowds in cold errands shifted past dingy stores.²

Seventy-five years ago, in *The Grapes of Wrath*, novelist John Steinbeck described in visceral prose the way that economic division so often plays out, with the rich unaware of the strain and suffering felt by those struggling to survive:

The fields were fruitful, and starving men moved on the roads. The granaries were full and the children of the poor grew up rachitic, and the pustules of pellagra swelled on their sides. The great companies did not know that the line between hunger and anger is a thin line. . . . On the highways the people moved like ants and searched for work, for food. And the anger began to ferment.³

James Baldwin, whose graphic depictions of America's racial divide were among the most searing ever produced, famously discussed the difference between Park Avenue uptown, in Harlem, and Park Avenue midtown, where the affluent and white caroused in a universe quite their own: one city but two worlds, separated by gulfs of race and class, as foreign to one another as persons living in lands divided by vast oceans:

I still remember my first sight of New York. It was really another city when I was born—where I was born. We looked down over the Park Avenue streetcar tracks. It was Park Avenue, but I didn't know what Park Avenue meant downtown. The Park Avenue I grew up on, which is still standing, is dark and dirty. No one would dream of opening a Tiffany's on that Park Avenue, and when you go downtown you discover that you are literally in the white world. It is rich—or at least it looks rich. It is clean—because they collect garbage downtown. There

are doormen. People walk about as though they owned where they are—and indeed they do. And it's a great shock. It's very hard to relate yourself to this. . . . You know—you know instinctively—that none of this is for you. You know this before you are told.⁴

Far from seeking to inspire the reader to rediscover great literature, my purpose here is to establish the way in which scholars, artists and public intellectuals have long recognized inequity as a serious social problem; and just as in their respective times, so too today the economic inequities to which these authors gave voice are as real as ever, and in some ways more deeply entrenched than before. This is not because such vast inequities are natural or inevitable—the commonly believed but altogether false assumption made by many—but because of decisions we have made within political and civil society, decisions that can be just as readily undone through collective action once we recognize the source of the trouble.

Don't misunderstand: a certain degree of inequality between persons is to be expected. We all have different talents and interests, after all; some can sing, some cannot; some are artists, some are not; some simply work harder than others. But the extremes between rich and poor to which we are being exposed today are unlike anything that can be written off to the normal distribution of abilities. It is not the simple fact of inequalities that concerns us, but the extremity of the gap, the shape of those disparities, and their increasing impermeability that should give us pause. There is nothing normal or acceptable about those things, however much we may allow for a reasonable range of talents and rewards based upon them. Not to mention the fact that what we have chosen to value in society—which work, for instance, is most amply rewarded in the market—has been the result of *choices* we've made, rather than some natural process. As such, the inequities we can readily see all around us reflect little about the individual worth of people at the top or bottom of the scale; rather, they reflect social power

relationships that have elevated the work product of some above others, even when (as we'll see) many of those "others" perform work generally acknowledged to be more socially valuable than the work performed by the wealthy economic minority. So even if a certain degree of inequality is inevitable in any remotely free society, we should not extrapolate from that fact the notion that those inequities that currently exist are preordained.

To get a sense of the "two cities" nature of modern American life, consider the following: As of 2014, the stock market reached an all-time high.⁵ Corporate profits as a share of the overall economy have risen to a level unseen since the late 1920s,⁶ and as a share of all national income those profits are higher than at any point in recorded history.⁷ For the wealthiest one percent of Americans (roughly three million people), incomes rose by about a third from 2009 to 2013, largely making up for whatever stock market-related losses they suffered during the recent Great Recession.⁸ And yet, while corporate profits are at their highest level in the past eighty-five years, worker compensation as a share of the economy remains at its *lowest* point in the past sixty-five. For millions of average working people the recession never really ended, and far from a one-third increase in average wages, income for the bottom ninety-nine percent of us only rose four-tenths of one percent (0.4) from 2009 to 2013.⁹ In other words, virtually all the income gains during the first few years of the recovery flowed to the nation's top one percent.¹⁰

Even those gains for persons who weren't one-percenters were received exclusively by the next nine percent. From 2009 to 2012, the bottom nine-tenths of the wage-earning population saw their incomes actually fall, meaning that a statistically improbable but nonetheless true *116 percent of all income gains* in the first years of the recovery went to the highest-earning tenth of Americans.¹¹ In 2013, hourly wages grew at only one-fifth the rate of corporate profits, barely staying ahead of inflation, suggesting that the economy is producing far higher returns at the top than in the middle and bottom of the distribution.¹² Although economists

have pointed to recent Labor Department data to suggest that things are getting better—so, for instance, as of January 2015, wages seemed to be finally ticking upward—it remains to be seen whether this trend will last, and whether the wage gains will extend to the lowest rungs of the job ladder.¹³ Despite claims of recovery, from January through April wage growth has bounced around from 0.5 percent down to 0.1 percent,¹⁴ back to 0.3 percent¹⁵ and finally to virtually no growth at all by late spring.¹⁶ But even if higher gains manage to return, such that the annual growth of wages might reach as much as 2.2 percent per year, this would remain well below normal economic recovery targets,¹⁷ and after inflation would only come to about one percent annually in real terms, hardly sufficient to reverse the slide of the past decade.¹⁸

Even more disturbing, there is good reason to believe that the job and wage recovery of the last few months (as of this writing) won't last long, if current rumblings from the Federal Reserve—the nation's central bank—are to be believed. Although the Fed has been holding interest rates down for years in the hopes of spurring businesses and consumers to borrow so as to boost consumption, production and economic growth, now that things are beginning to look up, the Fed seems concerned that more jobs and rising wages might push up prices. Recently, Fed chair Janet Yellen signaled the bank's intention to begin raising interest rates so as to keep inflation low by putting the brakes on borrowing a bit, and thus on economic growth. The thinking here is that if the labor markets tighten too much and employee pay grows "too fast" (a concept that must seem laughable to workers given the last two decades of wage stagnation), people will spend their increased earnings and inflation will spiral out of control, thereby damaging the economy. And this is feared, even as wage-related inflation has been largely nonexistent for several decades. Ultimately, if the Fed hikes interest rates (and this appears a certainty as of this writing), the result could be the loss of hundreds of thousands of jobs that would otherwise have been created, as borrowing for the purpose of new job creation and business ex-

pansion becomes too expensive.¹⁹ Such a move could easily choke off the job and wage recovery, long before it has time to filter throughout the ranks of the working class. In short, despite recent signs that things may be getting better for American workers, the long-term prospects for fundamental gains in wages and living conditions remain sketchy at best.

Joblessness and Underemployment in Post-Recession America

While the rich ride high, there are still millions of Americans whose economic situation is grim. As of April 2015, there were still about 8.5 million people who were officially unemployed (which means jobless and actively seeking employment), and several million more who say they want a job but have given up looking for one at present. On top of these there are about 6.6 million additional workers who say they desire full-time employment but are having to settle for part-time jobs.²⁰ So although the official unemployment rate is only 5.4 percent—a definite improvement since early 2013 when it was still hovering around eight percent, and far superior to the ten percent rate in 2010²¹—once we consider the plight of involuntary part-timers and discouraged workers, the true rate of joblessness and underemployment is likely to be nearly twice as high.

And even though recent reports suggest that jobs are beginning to come back to the private sector, it is worth noting how these jobs differ from those lost during the slowdown. Although jobs in lower-wage industries (paying less than \$13.33 per hour) represented only twenty-two percent of job losses during the recession, they have accounted for forty-four percent of new jobs since 2010. Today, lower-wage industries are employing nearly two million more workers than they were in 2008. As for mid-range-paying jobs (paying as high as \$20 per hour), these have actually slipped in the recovery, and now account for nearly a million fewer jobs than at the outset of the recession. And while higher-paying jobs (paying up to \$32 per hour on average) rep-

resented more than forty percent of job losses in the recession, they have only accounted for thirty percent of recent job growth. As a result, there are nearly a million fewer higher-paying jobs now than in 2008 when the recession began.²² In other words, even when people are finding work it is often at income levels well below that which they had been earning prior to the economic collapse. In the most recent jobs report as of this writing, there were only 1,000 new jobs created in manufacturing, out of 225,000 new jobs in all (this, after an actual decline in manufacturing positions during the previous month). Meanwhile, some of the biggest gains were in areas such as retail sales, low-paid health care jobs like physician's assistants and home health care aides, temporary services, and jobs in restaurants and bars. Indeed, more than half of all jobs created in the most recent month were in these categories.²³ On average, during 2014, new jobs created paid about twenty-three percent less than the jobs lost during the recession.²⁴ Unless the recent bump in wages and employment continues and accelerates, the hollowing out of the middle class will not likely be arrested, nor are we likely to see a diminution of rising income inequality.

Although the job picture has been bleak for Americans of all races and ethnicities, communities of color are having an especially difficult time. Latinos are about sixty percent more likely than whites to be unemployed (so much for the often heard refrain that they're "taking all the good jobs") and African Americans are almost two and a half times as likely as whites to be out of work: nearly ten percent unemployment for blacks as opposed to just a bit more than four percent for whites.²⁵ Even when only comparing whites and persons of color possessing the same degree of education, racial gaps persist. Latinos and Latinas with a diploma have an unemployment rate more than twenty percent higher than that of similar whites, while Latino/a college graduates are fifty percent more likely than comparable white graduates to be out of work. Meanwhile, black high school graduates are twice as likely as comparable whites to be unemployed, and even black