Pew Report: America Is No Longer Majority Middle Class

By Brenda Walker

Pew study titled "The American Middle Class Is Losing Ground" released on December 9 found that the number of Americans living in a middleclass household had fallen to below half. The Pew chart tracking the decline shows the gradual slide from 1971 with 61 percent middle class to 2015 with a flat 50. The proportion of poor Americans has increased from 16 to 20 percent in the same period.

The poll records a major event—a blow, actually because America is supposed to be a middle-class nation, both in fact and in the imagination. Being middle class means having a level of control over one's life and is closely connected to citizenship in that way. Middle class people see themselves as operating as free people, not subjects of an all-powerful government. People who have fallen out of the middle class in the great recession don't merely have less stuff, they are more dependent on the variable kindness of government.

When we think of a non-middle-class country, one that comes to mind is Brazil, where the great majority of people are poor and are ruled by a powerful, rich oligarchy. Now America is looking increasingly like a banana republic where wealthy elites run the show for their own private benefit.

Americans are losing the belief in the nation's capability to generate prosperity for average people. One example is the December poll from Harvard's Institute of Politics, showing that nearly half of young people don't believe in the traditional American Dream of possibility and prosperity. That survey reflects the real difficulty in making headway in the current economy.

As I pointed out in my 2014 *Social Contract* article "Three Stakes in the Heart of the American Dream," decades of mass immigration and outsourcing have bat-

Brenda Walker is publisher of the websites LimitsToGrowth.org and ImmigrationsHumanCost. org. A resident of the San Francisco Bay area, she is a frequent contributor to The Social Contract. tered U.S. workers, and now automation is coming on strong to wipe out even more jobs. Not that long ago, this nation had a sizable blue-collar middle class, fueled largely by jobs in manufacturing until the globalized economy relocated those occupations. For example, a 2014 article in *U.S. News & World Report* detailed how outsourcing to China cost the U.S. 3.2 million jobs since 2001.

Share of adults living in middle-income households is falling



% of adults in each income tier

Certainly the Obama policies of open borders and restrictive regulation on business have harmed working Americans, but he accelerated existing trends of decades-long duration. Away from the spreadsheet view of the economy, the results of worsening poverty are seen in an angry and growing underclass.

A 2013 *Computerworld* article about the annual Gartner technology forecast was titled, "As the digital revolution kills jobs, social unrest will rise."

It's already happening, from Ferguson to Baltimore. A couple generations ago, ordinary young people could go from high school graduation to a decent job in a nearby manufacturing plant. The St. Louis area that includes Ferguson had several Big Three automotive plants, but they are all gone now as a result of the outsourcing of entire industries to cheap-labor havens.

Not to excuse the violence in Ferguson and elsewhere, but young people have a right to be angry about their minimal opportunities. Except the problem isn't police, but instead is the globalist economy promoted by our own government that has devastated American workers via outsourcing and excessive immigration.

There was a flurry of publicity around the Pew report, e.g., CBS News, which observed, "The great recession hit the middle class especially hard. Their median wealth fell by 28 percent between 2001 and 2013."

Radio host Rush Limbaugh opined that Americans "look to Washington and they see the country being undermined," in his remarks about the shrinking middle class story on December 10:

The American people...want people leading them who they believe love the country as they do, want the same things for the country they do, want the same things for their children that they want for their children. They don't see that reflected at all in the leadership of this country right now. It scares them and angers them. They don't need the *LA Times* to tell them that middle-class families are no longer in the majority. They know that that's the case; they are the middle class. They see themselves losing ground, and they know exactly why. They have the education, the experience, and the knowledge sufficient enough to tell them that all of this is happening because of the policies of Washington, D.C., over the last seven to 10 years. They don't want any more of it.

Fox News business reporter Maria Bartiromo pointed out the automation angle to the lost middle class story:

A couple of things are happening right now. First of all, you have a complete breakdown in the manufacturing side of the economy...I mean, if a company can do something through automation, robotics—they will do it. And unfortunately the manufacturing jobs in particular have been taken out by technology. So technology is part of this.

Voters need to hear from Presidential candidates about what they will do differently to return prosperity to average Americans. For one thing, it makes no sense to continue importing low-skilled immigrants from the third world when our own poor folks cannot find work. Increased automation in the workplace will mean even fewer jobs for both blue-collar and white-collar workers, so immigration needs a severe pruning, if not deletion.

