

# The Unz Review • An Alternative Media Selection

*A Collection of Interesting, Important, and Controversial Perspectives Largely Excluded from the American Mainstream Media*

## Life in a Failed State — Part 1

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### Introduction

In an earlier essay on the 1917 Jewish revolution in Russia,<sup>[1]</sup> I related this quote: **“The [Jews] systematically exterminated the clergy, the wealthy, the business class, the intelligent educated class, all the high-achieving segments of the population, leaving Russia with a population of ignorant workers, peasants, and a powerful Jewish ruling elite.”**

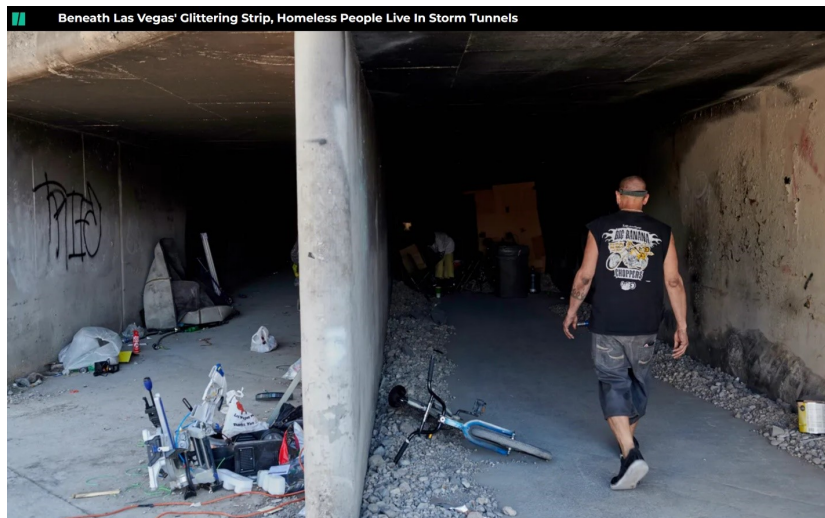
This is precisely the situation – and the intent – with the US today. The methods are different, but the final result will be the same. It is dispiriting that, while the signs are everywhere to be seen, few seem sufficiently interested or astute to connect the dots. In reading these combined essays on this topic, it will greatly assist your understanding if you keep in mind that **the events and circumstances described herein were all deliberately created and implemented.** None of what you will be reading about, was an accident of fate or due to “economic circumstances beyond control”. All was contrived for the above transitional purpose, and that transition is perhaps 80% completed in the US today. Read, and form your own judgment.

### The United States of Inequality

Among the more indelible impressions burned into my memory from a lifetime of travel is an image from the city center of Caracas, Venezuela, many years ago, seeing the grand display of the wealth of the elite class, with their huge palatial homes and the nearby private airport containing all their private jets. I met one man who had two planes because whenever he needed to take a business trip, his wife had “taken the damn thing to Miami to go shopping again”. That’s half the image. The other half was more or less across the street from the first half, and consisted of the long and steep side of a mountain, with homes covering the slope for as far as the eye could see. But these were not really homes; they were shantytown hovels of only a few square meters in size, cobbled together from scraps of wood, metal, anything. Doors were simple openings in a wall, as were windows. Each home had a single electric light bulb with current supplied by a single cable that threaded its way up the slope between those thousands of residences. There were no roads, a single winding footpath providing the only access. Both toilet and garbage can were one of the downslope windows, the rubbish and excrement eventually making their way to the bottom of the mountain. And it wasn’t only rubbish that made its

way to the bottom. During heavy rains, the unanchored hovels would frequently lose their grip on the mountainside and thousands of homes with their occupants would find themselves gathered in a heap on the valley bottom. I have been unable to erase that memory of the opulent wealth and the heartbreaking abject poverty contained in the same single view of that city.

We can find much the same in many parts of America today, the only significant difference being that the US physically separates the two halves of the picture. Most visitors to the US, and indeed most residents of the US, will tend to see one picture or the other, but seldom both. The streets from our landscaped villas to our air-conditioned offices do not pass through the slums and tent cities. With a bit of planning and the absence of an adventurous spirit, it is easily possible to live your entire life in an American city and see only what you want to see. The city of Las Vegas in Nevada is probably the best example of overstated nouveau-rich opulence and gaudy excess in the world today, with the giant casinos casting a long and glitzy shadow. But Las Vegas also has one of the highest rates of home foreclosures and homelessness, not only in the US, but in the world. Almost within sight of the overwhelming wealth and glamour of the strip are some of the estimated 16,000 educated homeless people who have built shelters inside the city's 500 Kms of underground storm tunnels.[2] [3] Heavy rains are infrequent in Vegas, but when they come, those storm sewers quickly fill with two or three meters of water and flow with as much force as any raging river, washing away every trace of the inhabitants and their belongings. Many die, but nobody knows how many.



Donovan walks into the tunnel, where he stays, on Nov. 16, 2019 in Las Vegas, Nevada. BRIDGET BENNETT FOR HUFFPOST

These two paragraphs form an appropriate introduction to what in economics we dispassionately refer to as income disparity. It isn't a matter of you having more money than me, or having a three-story house far removed from my humble bungalow, or finding my ten-year old Ford Pinto parked beside your new Ferrari. This is a matter of living in another world entirely, eerily reminiscent of Caracas then and Las Vegas, Chicago or Detroit today. For 500 years, this disparity defined the urban landscape of the great United States of America, a pattern more or less unbroken except during the time of the new social contract that was born in 1946 and developed a terminal cancer in 1980. You will not be able to correctly understand this without an appreciation of the history of American labor and the 1946 social contract. **This is an article I urge you to read.[4] It is vital.**

**Joseph Stiglitz** wrote a compelling article that originally appeared in Vanity Fair,[5] on the problem of income inequality in the US, providing an intelligent explanation as to its causes, and a concerned illustration of its dangers to American society and to US political survival. He began by telling us, "It's no use pretending that what has obviously happened has not in fact happened". And what has happened is that the top 1% of Americans now take in 1/4 of all the nation's income every year, and control 40% of the nation's wealth. He

tells us, and it is clearly true, that as a society becomes more divided in terms of wealth, the wealthy – who control the government – are more reluctant to spend money on what Stiglitz calls “common needs” – things like health care or education. The rich can provide for themselves and they tend to quickly lose empathy for those not as rich or fortunate as themselves. Greed and inhumanity are in control. Since these people control the government through their power, wealth and influence, they invest time and money to keep it weak lest it use its powers for the common good. **Stiglitz claims inequality exists because the top 1% want it that way**, and his point is impossible to argue.

The most commonly used, and most commonly accepted as fair, method to measure inequality of income or wealth is the GINI coefficient, which ranges from 0 to 1, with 0 being totally equal and anything above 0.5 considered excessive and socially dangerous. New York State is at 0.503, with the nation’s capital, Washington, DC, at an astonishingly high index of 0.534, worse than most banana republics and, according to the US State Department, at a level where imminent revolution or civil war are almost assured.

In his article series on income inequality, **Timothy Noah** wrote,<sup>[6][7][8]</sup> “Giving the lie to popular American rhetoric, China, with a Gini coefficient of 0.415, is a significantly more equal society than is the US with a Gini of 0.450. **Income inequality is more severe in the US than it is in nearly all of West and North Africa, Europe, and Asia.** It is on par with some of the world’s most troubled countries, many embroiled in severe social destabilisation. The US in fact ranks near the extreme low end of the inequality scale, comparable with a quite unflattering list of nations: Cameroon, Madagascar, Rwanda, Uganda, Mexico, Côte d’Ivoire, Serbia, Sri Lanka, Nepal, Uruguay, Ecuador, Argentina, Guyana, Nicaragua, and Venezuela. Income inequality is actually declining in many of these nations while it continues to increase in the United States. Today, incomes in the US are more unequal than in China, Canada, Germany, France, the UK and other nations. All my life I’ve heard Latin America described as a collection of failed societies because of its grotesque maldistribution of wealth. Peasants in rags beg for food outside the high walls of opulent villas, and so on. But according to the CIA, **income distribution in the United States is more unequal than in** Guyana, Nicaragua, and **Venezuela**, and roughly on par with Uruguay, Argentina, and Ecuador. Economically speaking, the country that once called itself “the richest nation on earth” is starting to resemble a banana republic. The main difference is that the United States is big enough to maintain geographic distance between the villa-dweller and the beggar.”

During the post-war period until about 1980, the shares of income between the top and bottom remained constant, then the share going to the top 10% rapidly doubled by about 2000, and has increased markedly since then. Many writers have noted that income inequality in the US is at an historic high, surpassing even levels seen during the Great Depression, also noting that America has the highest income inequality of all developed nations. There are so many statistics that prove the shocking disparity in the US today, so many ways of presenting essentially the same numbers and conclusions, that the bitter social meaning is lost in the jumble. For example, the wealthiest 1% of all Americans own more wealth than the bottom 95% combined. The wealthiest 400 families in the United States have about as much wealth as the bottom 50% of all Americans combined. The six heirs of Wal-Mart founder Sam Walton have a net worth roughly equal to the bottom 30% of all Americans combined. The poorest 50% of all Americans collectively own just 2.5% of all the wealth in the United States.

I have written in several places that **the US FED’s booms and busts have been deliberately contrived to facilitate massive transfers of wealth from the lower and middle classes to the top 1%.**<sup>[9]</sup> Here are some proofs of my claim: A recent UC Berkeley study demonstrated that “the top 1% captured 95% of the income gains in the first three years (after 2008).” If this isn’t bad enough, in the first two years alone, from 2008 to 2010, the net wealth of the few hundred US Senators and Congressmen increased by more than 25% while the net average asset value of 100 million American families plummeted by 50%, and average family earnings fell

by about 10%. **This was all part of their planned Great Transformation, begun in earnest during Reagan’s watch.**

**Li Xiangyang**, dean of the Chinese Academy of Social Sciences National Institute of International Studies, said that America’s capitalist economic system itself has made the rich-poor gap inevitable. The growing income inequality and declining middle class are perfectly correlated with the implementation of the neoliberal economic system that trashed the social contract that was the source of America’s only real period of social prosperity. **Amy Traub**,<sup>[10]</sup> senior policy analyst of New York-based think tank Demos,<sup>[11]</sup> said “America’s social contract, the promise to create opportunities and economic security for the hardworking and responsible, has been fundamentally shattered”, as of course it has been. She also pointed out that during the post-war period until the late 1970s, wages grew simultaneously with labor productivity but since then wages have increased only by 5% while productivity increased by 75%.

In 2014, **Wu Chengliang** wrote in the People’s Daily that US politicians either have little power to resolve income distribution or are afraid to touch the issue. He is correct on both counts. The secret government dictated neoliberalism and its precise effects, with US leaders from the President down not only powerless but genuinely afraid to challenge their handlers. Obama was quickly and soundly condemned in the media for daring to suggest to voters he wanted to “spread the wealth around”, and that was just campaign talk; he wasn’t even serious.

Lest you are tempted to dismiss my comment about the agenda of the secret government, I will remind you here of the statement by **Montagu Norman, the Governor of The Bank of England, (in the City of London)** in the US Bankers Magazine, Aug. 25, 1924:<sup>[12]</sup>

“Debts must be collected, mortgages foreclosed as rapidly as possible. When ... the common people lose their homes, they will become more docile and more easily governed through the strong arm of the government applied by a central power of wealth under leading financiers. These truths are well known among our principal men, who are now engaged in forming an imperialism to govern the world.”

In what way does his above comment not reflect the 2008 social disaster in the US?

Income disparity is a popular current topic, with so many commenting on the fundamental inequity in America, all pretending to “search for the causes” but mostly producing utopian mythical nonsense and only further confusing an issue that is at its core blindingly clear. I believe it was **Arthur Okun**<sup>[13]</sup> who wrote that “American society proclaims the worth of every human being”, but the real truth is that the elites have so corrupted US economic rules that “the rich can feed their pets better than the poor can feed their children”. According to Stiglitz again:

“None of this should come as a surprise – it is simply what happens when a society’s wealth distribution becomes lopsided. The more divided a society becomes in terms of wealth, the more reluctant the wealthy become to spend money on common needs. The rich don’t need to rely on government for parks or education or medical care or personal security – they can buy all these

things for themselves. In the process, they become more distant from ordinary people, losing whatever empathy they may once have had.”

**Gideon Rachman** wrote an excellent column for the Financial Times in which he ignored the myths and the propagandist, and described US economic facts as they are. I was impressed. He wrote that after five years with no recovery, ‘reasonable people’ have begun to wonder if Bernanke’s real objectives were different than those in his official pronouncements. The stock markets have doubled or more while corporate earnings reached an all-time high of \$2.1 trillion, and the banks announced record profits of \$42 billion in only one quarter. “And, according to a new study by **Emmanuel Saez**, an economics professor at UC Berkeley, the top 10% of earners in the US captured more than half of total income in 2012, a level higher than any other year since 1917. Meanwhile, 50 million people need food stamps to survive, labor’s share of productivity gains have never been smaller, median household income has plummeted by 7.3 percent since the end of the recession, and 50 million Americans now live in poverty. Inequality – which is already at levels not seen since the Gilded Age – continues to widen at an accelerating pace while the battered and rudderless economy drifts from one crisis to another.”

So, the results are a greater concentration of wealth and political power. Mike Whitney wrote in an article in Counterpunch titled, “Crushing the Middle Class”:

“To pretend that the objectives of ZIRP and QE are different than these results they’ve produced, is laughable given the fact that they’ve been in place for more than 5 years without any significant change. This suggests that the Fed’s policies are doing what they were designed to do, shift more wealth: upwards to the uber-rich while political leaders dismantle vital safety net programs which protect ordinary working people from the ravages of unregulated capitalism. **The Central Bank and the political establishment in Washington are working hand-in-hand to restructure the economy along the same lines as they would any third world banana republic. And that’s the real goal of the current policy.**”

Dean Baker wrote an article in the Huffington Post titled, “Inequality: Government Is a Perp, Not a Bystander”:

Congress and the president have decided to craft budgets that lead to tens of millions of people being unemployed or underemployed. High levels of unemployment put downward pressure on workers’ wages, especially those in the bottom third of the labor force. This means we have a federal budget that limits growth and employment in a way that redistributes income upwards. So, **inequality didn’t just happen; it was the result of government policy.**

In Timothy Noah’s series on income inequality, he referred to a book (**The End of Equality**) written by a colleague of his in which it was stated that income inequality was the “inevitable outgrowth of ever more ruthlessly efficient markets”. I would concur with that assessment. However, it isn’t ‘the markets’ that are at fault, but rather those individuals proselytising the amoral bible of free markets, efficiency and profit maximisation, to the total exclusion of all other values. The author of that book, **Mickey Kaus**,<sup>[15]</sup> suggested

combatting inequality by nurturing egalitarian institutions such as national health care, removing them altogether from the “money sphere”. Again, I would concur, though items like national health care, retirement pensions and social safety nets should be seen as necessary parts of the fabric of a civilised society rather than as weapons in a battle against evil. However, I disagree with his conclusion that you “cannot decide to keep all the nice parts of capitalism, and get rid of all the nasty ones.” **Yes, you can. All you need is a government that has retained its social morality and sufficient independence from the influence of private interests – most primarily a Jewish privately-owned central bank (the FED). And, perhaps, the courage to do what needs to be done** – in this case, to rein in the nastier parts of both capitalists and their free-market capitalism.

Lastly, it is distressing to see the US media taking pains to distract and mislead the American people with yet more utopian propaganda rather than either remaining silent or telling the truth. The US government and its closest friends have spent the past 40 years reconfiguring the economy to loot the public treasury and every citizen’s bank account and concentrate all that stolen wealth in increasingly fewer hands, taking the nation from one of the most equal to the one today with the greatest income disparity. And the media deal with this travesty mostly by distracting the attention of the increasingly-impooverished, boasting of the US having the largest number of billionaires, and therefore being “the world’s richest nation with the greatest opportunities”. Freedom of the press at its finest.

### So Long, Middle Class

Of course , **the net result of these policies is the evisceration of the American middle class which is being systematically wiped out of existence.** It isn’t only that the rich are becoming richer, but that these Great Transformation policies are predatory in the extreme, deliberately targeting the middle and lower classes who are losing ground at a staggering rate. As mentioned earlier, **America’s middle class lost about half of all its wealth and assets after 2007, and half of the entire middle class has already firmly descended into the lower class,** a financial and social pit from which there is no likely escape. With the economy still on life support and no recovery in sight after 14 years, with only low-wage and part-time jobs being created, the odds of recovery for those tens of millions of families are slim to non-existent. **Ron Unz** noted that the entire American middle class now hovers on the brink of insolvency,<sup>[16]</sup> but may have oversimplified in blaming the cost of foreign wars. Privatisations, bank bailouts and other factors bear much responsibility here; the middle class safely survived the Vietnam war and dozens of other expensive military adventures. The root cause is the deliberate launching of a class war, the conscious determination to drain and eliminate the middle class as a class. As bizarre as that statement may seem, the facts are everywhere and especially the FED’s policies can be interpreted in no other way. **Deregulation, corporate tax changes, the massive deindustrialisation and outsourcing, Greenspan’s “greater worker insecurity”, Volker’s astonishingly vicious recession, the financialisation of the economy, were all carefully and deliberately planned as a coordinated effort,** the eventual results of which were entirely predictable from the beginning.

In his article on the decline of America,<sup>[17][18]</sup> **Peter van Buren** wrote,

“What’s happening is both easy enough for a traveler to see and for an economist to measure. Median household income in 2012 was no higher than it had been a quarter-century earlier. Meanwhile, expenses had outpaced inflation. U.S. Census Bureau figures show that the income gap between rich and poor had widened to a more than four-decade record since the 1970s. The 50 million people in poverty remained the highest number since the Census Bureau began collecting that data 53 years ago. The gap between how much total wealth America’s 1% of earners control and what the rest of us have is even wider than even in the years preceding the Great Depression

of 1929.” In an especially appropriate comment, he wrote that we can argue over numbers and debate which statistics are most accurate, “or (we can) just drive around America: the trend lines and broad patterns, the shadows of our world of regime change, are sharply, sadly clear.”<sup>[19]</sup> Over the last 40 years, a large majority of American workers have seen their real incomes stagnate or decline.

### **Ron Unz again:[20]**

“Meanwhile, the rapid concentration of American wealth continues apace: the richest 1 percent of America’s population now holds as much net wealth as the bottom 90–95 percent, and these trends may even be accelerating. A recent study revealed that during our supposed recovery of the last couple of years, 93 percent of the total increase in national income went to the top 1 percent, with an astonishing 37 percent being captured by just the wealthiest 0.01 percent of the population, 15,000 households in a nation of well over 300 million people.”

He added that the wealth of all American households headed by those younger than 35, is now about 70% lower today than it was in 1984. For those who care to know, the British very much followed the Americans down the rabbit hole: In England, the rich are 64% richer today than before the recession, while the poor are 57% poorer.

The statistics become increasingly desperate with each passing year. One writer noted that in 2007, 43% of Americans lived from paycheck to paycheck; in 2008 this figure was already at 49%, and today it is well over 60%. “Not only have food stamps reached an astonishing high of 25% of the population, but more than 35% of American households receive some form of means-tested government help, or what we call welfare payments. As well, bankruptcies skyrocketed after 2007, increasingly catching the retired population in their net. Large numbers of Americans now have no pension plans or other savings and are increasingly postponing their retirements.”

In 2013, the AP reported that four out of five Americans face near-poverty and unemployment, survey data indicating that 80% of all Americans are facing “severe economic struggles”, and that now more than 50 million are living below the poverty line, a number that is almost certainly underestimated. Many economists and analysts have concluded that the current economic structure guarantees that unemployment “will remain unusually high for the foreseeable future”, leading to “an extended period of rising poverty and declining income”. So, the country that boasts of being the world’s wealthiest nation and of having the largest number of millionaires and billionaires, also has the largest number of idle and working poor, both categories increasing by the year.

Another article noted that Americans are no longer at the top of car ownership, either. “According to a new paper on worldwide car usage, produced by the Carnegie Endowment, American per capita car ownership rates are actually among the lowest in the developed world.<sup>[21]</sup> Americans now rank 25th in the world, just above Ireland and just below Bahrain. Car ownership rates are closely tied to the size of the middle class. In fact, the paper actually measures car ownership rates to predict middle class size. Since Americans are buying fewer cars, this is another sign that the American middle class is rapidly declining.”

## Poverty, The Great Equaliser

**Michael Snyder** produced a report in the Autumn of 2011<sup>[22]</sup><sup>[23]</sup> where he stated

“The number of those living in poverty in America is still growing by several million a year, and that is the largest increase that we have ever seen since the U.S. government began calculating poverty figures back in 1959. However, it is important to keep in mind that the government definition of poverty rises based on the rate of inflation. If inflation was still calculated the way that it was 30 or 40 years ago, the poverty line would be much, much higher and millions more Americans would be considered to be living in poverty.” He noted too that health care costs as a percentage of personal consumption have almost doubled since 1980 and are one of the main reasons Americans are pushed into poverty, stating that “Most of us are just one major illness or disease from becoming financially wrecked, [since] one single medical bill could easily wipe out the finances of most people.”

His report stated that the US child poverty rate, at 25%, is more than twice as high as the European nations, and that the elderly are also falling into poverty in staggering numbers, with sharply increasing bankruptcies. He ended with these words:

“America is fundamentally changing. It cannot be denied that America is getting poorer. Poverty is spreading and hopelessness and despair are rising. **We are in the midst of a long-term economic decline. We are entering an era of class warfare.** The rich and the moneyed corporate interests and the Republicans in their pockets have been quite bold about this: no healthcare or education for the poor.”

From another report, in the city of Detroit today, 60 percent of all children are living in poverty, and close to 50% of all adults in the area are functionally illiterate. The child poverty rate in Cleveland is 50%, with the entire state of California at a staggering 27%, and Arizona and Nevada each at about 25%. The World Socialist Website stated that “child poverty in America is more widespread than at any time in the last 50 years. For all the claims of economic “recovery” in the United States, the reality for the new generation of the working class is one of ever-deeper social deprivation.” Another survey documented that almost 80% of all Americans are now living paycheck to paycheck at least part of the time, that almost half of all Americans have less than \$500 in savings and that almost 30% have no savings whatever. **The UK Guardian** detailed other studies and surveys concluding that almost 50% of all Americans are either considered to be “low income” or are living in poverty. According to the US Census Bureau, an all-time record 49% of all Americans live in a home where at least one person receives financial assistance from the federal government, with more than 100 million Americans enrolled in at least one means-tested government welfare program, not even counting Social Security or Medicare payments. The only good news is that the former racial disparities in poverty are apparently dissipating, whites today experiencing poverty almost as much as blacks and other minorities.

In early 2015, an article in the Huffington Post by **Rebecca Klein** quoted data from a report by the National Center for Education Statistics, documenting that 51% of all school children are living in poverty. She wrote



that the report showed a steady increase in low-income households, poverty (and income disparity), growing from around 30% in the late 1980s to over 50% today. A map of this poverty was shocking, with the entire Southern half of the US, and most of the West with a poverty rate of over 50%. It was only the Mid-West and North-East with smaller rates. The report showed Mississippi with 71% of students living in poverty, and New Hampshire with the lowest rate of 27% – in what is supposedly “the richest nation in the world”. These figures are unimaginable to people from all but the world’s poorest nations.

One group produced a documentary titled ‘**American Winter**’ which, as IMDB wrote in its summary, “presents an intimate snapshot of the state of the nation’s economy as it is playing out in millions of American families, and highlights the human consequences of the decline of the middle class and the fracturing of the American Dream.”[24] The producer stated:

“In making American Winter we saw first-hand how stressed and scared these parents are every day by the prospect of losing their homes, and by the daily struggle to pay their bills. However, the most overwhelming part was seeing the kids who have lost hope for their future. How can nearly half of our country be in such dire circumstances and **yet our politicians chose this time of the most need in 80 years to cut budgets and social services** all across the country? Yet 46% of this country is living in poverty, or near poverty, and today we have the highest number of poor since we began keeping records. Imagine the richest nation in the world having that many people without enough money to buy food for the month. Could it be because the only consistent economic trend that sociologists-economists can find is the concentration of wealth, and power, in fewer and fewer hands?”

An article in the *Washington Post*[25][26] stated that a majority of Americans are headed toward a retirement in which they will be financially worse off than their parents, an historic shift in a country that experienced generations of improvements in the lives of the elderly. This time appears to be firmly at an end, with few even contemplating cheery encouragements of a recovery. The article suggested that many elderly may be forced to live with their younger relatives. This arrangement is common and often welcome in more human societies as we find in China or Italy, but for an individualistic and selfish culture like that of the US, this may not be workable and would often end in disaster.

The article noted the severe lack of adequate pension benefits, either government or corporate, and that while tax incentives exist to encourage savings, one first requires an income. These incentives provide benefits mostly to upper-income earners who have extra money to save and invest, with most Americans no longer in this position. There are claims that **at least 65% of Americans near retirement age are planning to delay retirement for at least another five, and perhaps ten years, due to a lack of money.** Part of the cutbacks in social services in the US, as in some other Western countries, is in the national pension systems which are generally substantially underfunded and face the additional strains of longer life expectancy and low birthrate, all combining to make the fulfillment of pension obligations questionable if not impossible. The US, Canada, the UK are raising the retirement age from 65 to 70, thereby obtaining 5 more years of funding while paying out pensions for 5 years less. Countless millions of workers under the age of 50 will be exposed to these new rules. For those now retired, the picture is much bleaker because the die is already cast. High percentages of retirees are having to sell their homes to cover health expenses, and bankruptcies among the elderly are increasing at an alarming rate. And more similar articles in the *Washington Times*[27] and *the Guardian*. [28]

### The Richest Country’s Empty Plates

In July of 2013, **Rose Aguilar** wrote a wonderful article for **Al-Jazeera**,<sup>[29]</sup> in which she discussed the dire hunger crisis that envelops the US today. In her article, she brought back a memory of something I had long forgotten, an event that so outraged the American public that the government was temporarily forced to respond with more humane policies. That event was a **1968 CBS special hour-long documentary called ‘Hunger in America’**,<sup>[30]</sup> in which viewers literally watched a hospitalized child die of starvation. Nixon responded because the public outrage left him no choice, but Reagan quickly dismantled those improvements. **When Reagan came to power in 1980, there were 200 food banks in the US; ten years ago, there were more than 60,000**, all overwhelmed with demand and forced to ration their dispersals. To help muddy the waters, most websites today list the number of US food banks still at 200, but with more than 60,000 “pantries”. Before 1980, one out of every 50 Americans was dependent on food stamps. Today, it is one out of 4. Before Reagan, there were 10 million hungry Americans; today there are more than 50 million and increasing. **A substantial part of the Great Transformation included not only tax cuts and other benefits for the wealthy, but a simultaneous massive reduction in budgets for social programs** – in spite of the fact that Reagan and the secret government were creating the conditions that would desperately require those same social programs.

That 50 million hungry Americans today includes the **25% of all children in the US who go to sleep hungry every night**. About 25% of the American population today cannot buy sufficient food to remain healthy, with most of these being hungry for at least three months during each year. It is so bad **that many college students have resorted to what we call “dumpster-diving”**<sup>[31][32]</sup> – looking in garbage bins for edible food.<sup>[33][34]</sup> <sup>[35]</sup> In 2013, America’s largest food bank in New York City delivered more than 35 million Kgs of food, and still 1.5 million of the city’s 8 million inhabitants were hungry. After that CBS documentary and prior to Reagan’s appearance, New York had almost no need for emergency food services, and had only 28 food agencies. Today that number is more than 1,000. The problem is so serious that many agencies fear that desperation for food will lead to increasing violence. By contrast, only about 5% of Chinese said there had been times during the previous 12 months when they had been hungry, while in the US that number is now 25% and still rising. **Maura Daly**, a social agency spokesperson said, “People have a lot of misimpressions about hunger in America. People think it’s associated with homelessness when, in fact, it is working families, it’s kids, it’s the disabled.”

Perhaps even more alarming was the release of study data in the middle of 2014 documenting that 25% of the US military members are also dependent on food stamps, food banks and other civilian welfare projects for their survival. After compiling four years of data, the nation’s leading domestic hunger-relief charity, released its largest and most comprehensive study which showed, among other things that 15% of all Americans rely on food banks for all their basic nutrition. In other words, no other source of food. But perhaps the most shocking revelation was that 25% of military personnel were in the same financial position. Of course, the Pentagon was quick to take issue with the study’s methodology, using statistical babble to cloak their embarrassment.

### **Homes and Homelessness**

It is difficult to obtain complete and fully reliable information on home foreclosures and repossessions in the US,<sup>[36][37]</sup> various departments or authorities stating incompatible – and in many cases unbelievable – figures for the only apparent purpose of understating the numbers. For example, the total number of foreclosures for the period 2007 – 2014 has been variously stated as anywhere between 4 million and 25 million homes, with additional foreclosure filings between 8 million and 15 million, with estimates of likely future foreclosures also varying widely.<sup>[38][39]</sup> I am satisfied that the lower figures are an understatement, and I suspect the higher numbers are much closer to the truth. But this doesn’t tell the full story of home losses. There is a large but probably indeterminable number of homes in default on mortgage payments where the banks have chosen to

not initiate foreclosure action for the moment, but all of which will have a bad end. In sum, it appears the circumstances in the US today are worse than those existing during the Great Depression.

And just as during the Great Depression of the 1930s, the US today is experiencing a surge in shantytowns,<sup>[40]</sup> <sup>[41]</sup> with millions of unemployed and underemployed living in dilapidated shelters or in **tent cities** in parks or other vacant land. Tent cities are neither unusual nor isolated; they have been springing up everywhere throughout the US, a stark testimonial to the desperation of millions of Americans who are no longer able to support themselves properly. The countless millions who have lost their jobs and homes, and who have no options, are buying small tents or constructing makeshift shelters wherever they can. Many of these shantytowns or tent cities are home to more than 1,000 or 1,200 people each, and are still increasing by 50 and sometimes 100 per week. Even with my natural cynicism, I was astonished to see this “New World Order” so easily accepted by the authorities without even token resistance, to the point where **California admits that its massive tent cities<sup>[42]</sup><sup>[43]</sup><sup>[44]</sup> spread throughout the state are now “a permanent feature” and must be accepted as a normal and permanent part of the new transformed American society.**



One American wrote, “As a New Yorker, I am getting weary of seeing homeless on every street corner and passing ever-growing lines of people waiting for food handouts in midtown Manhattan where the abundance of wealth has failed miserably in its attempts to trickle down.” In 2014, Wu Chengliang from the *People’s Daily* travelled to Washington, DC’s largest shelter for homeless people and discovered it overflowing not only with the traditional homeless but with “professionals such as lawyers and accountants who are employed but cannot afford to pay rent”. We are accustomed to thinking of the homeless as consisting of single individuals, usually male, sleeping in the streets, but this is not true today for the US where **the bulk of the homeless are educated families with children**. It is estimated that up to half a million small children are homeless in America today, as are more than a million public school students, a number that has been rising at 10% per year.

In one statistic that puts the lie to claims by the government and the FED of the recession ending in 2009, homelessness is still after so many years, increasing in the US by nearly 10% per year. In a recent comprehensive state-by-state report by both the US Department of Education and the National Center on Family Homelessness, the number of homeless children has surged in recent years to the point where today **one child in every 30 in America is sleeping in the streets**. The problem is apparently most severe in California, which has 20% of the nation’s homeless children, more than 500,000. According to the reports, child

homelessness in America increased by almost 10% from 2012 to 2013, with no sign of slowing, and about 40% of all homeless children are of pre-school age. The reports blamed the nation's high poverty rate and the lack of affordable housing, claiming the government had done little to help homeless families with children.



**William Blum** had this gem in one of his articles:

“In 2014 a federal appeals court ruled that the Los Angeles Police Department could not arrest people for sitting, lying or sleeping on public sidewalks because that enforcement amounted to ‘cruel and unusual punishment’ for the city’s huge homeless population. Judge Pamela A. Rymer issued a strong dissent against the majority opinion, claiming that the Los Angeles code “does not punish people simply because they are homeless. It targets conduct – sitting, lying or sleeping on city sidewalks – that can be committed by those with homes as well as those without.”

Or, as **Anatole France** wrote so beautifully almost 150 years ago,

**“The law, in its majestic equality, forbids the rich as well as the poor to sleep under bridges, to beg in the streets, and to steal bread.”**

Blum also had this story, not so amusing:

**“Now we have, if a photo were available, what could be an iconic image of the US war against the people of America, or at least against their health care – a paraplegic man, no wheelchair or walker, somehow propelling himself along a street in Los Angeles, a broken colostomy bag dangling from his piteous body, clothed in a soiled hospital gown, dragging a bag of his belongings in his clenched teeth.**

This human being had been taken by Hollywood Presbyterian Medical Center to a homeless mission, which refused to accept him; the man then hurled himself from the hospital van to the street. Witnesses said that the van driver ignored their cries for help and instead applied makeup and perfume before speeding off. This is one of several cases in the recent past of “homeless dumping” in Los Angeles. It’s all very understandable, from a bookkeeping point of view. The homeless missions have only so many beds, the hospitals have a budget and the debits and the credits have to balance. It’s what happens when a free market in a free society guarantees access to Coca Cola but not to health care. There are more people living on the street in Los Angeles County than in any other state in the country. Blocks and blocks of the downtown core are choked with people – not just men and women, but children, too – sitting next to their possessions with nowhere to go.”

True to their ideological roots, American (Jewish-American) authorities deal with a social problem by criminalising it, often charging and arresting those who attempt to help the poor. After Raleigh, North Carolina, legislated food distribution to the poor only twice per year, local police arrested volunteers who were distributing food, the city’s Mayor referring to the volunteers as “food terrorists”. **More than 30 American cities have passed such laws that restrict food distribution to the needy, and will heavily penalise those who disobey.** Police in St. Petersburg, Florida, instead of arranging for the homeless to relocate, invaded the tent cities and destroyed the tents that were the only home for these families, using box cutters to rip the tents to shreds. And in California, in the heart of Silicon Valley, one of the symbols of all that is great about America, a homeless encampment containing many hundreds of people is being forcibly cleansed of its occupants who were given days to evacuate or be arrested for “trespassing”. These are people who already have nothing, have no incomes and no place to live, and who have nothing to lose. Except their freedom, which is now under threat. Local officials offered to help these evacuees find “some kind of shelter for the night”, but after that they were on their own with no place to live and no place that would permit them to sleep.

During the winter of 2013-2014, a Pentecostal Church in Rockford, Illinois opened a shelter for the city’s homeless, but city officials charged the Pastor with criminal offenses because his church was violating the city’s “residential zoning laws”. In California, cities like Sacramento have declared tent cities illegal, citing concerns about ‘public health and safety’. For those homeless who are fortunate to still have cars, sleeping in them is no longer an option in many US cities because bylaws are increasingly making this practice illegal. In Columbia, South Carolina, officials passed a law giving homeless people – a great many of whom are families with children – the option to either relocate, or get arrested. Tampa Bay, Florida, did the same. This isn’t a complete surprise, since the US has always responded to its homeless in this way.

**During the Olympics in Atlanta, local authorities arrested and imprisoned about 10,000 blacks, to keep the streets clean for the television cameras; the internet appears to have been totally scrubbed on this issue.** As reported by Reuters, in late 2014 New York state health officials prevented a nonprofit group from providing free medical care to thousands of patients lacking health insurance. The group had raised \$3 million and enlisted hundreds of volunteer doctors and other medical workers to offer a range of health services, including dental care, new eyeglasses and other services, and had planned to treat about 7,000 patients. However, the State Health Department told the group that free health services were not needed, in spite of clear facts that at least 20% of New Yorkers lack health insurance and cannot afford medical care. Department officials claimed they “were just doing their job of protecting the public”.

In July of 2014 a church in Los Angeles called police to arrest a homeless man for eating some cookies. The man had entered the church building to ask about free meals, noticed the cookie jar while he was waiting, and ate a few. The Church said they had the man arrested because they had his interests at heart. The arrest would place the man into California's private prison system "where he could find help". In another case in Florida, a homeless man showed a reporter a ticket given to him by local police, with the charge of "Feet in Roadway Disturbing Traffic". Many American cities follow the same process of criminalising poverty and vacuuming up the poor and homeless for the private prison system. The cities deny the claim but the evidence is everywhere of increasing police harassment and yet more mean-spirited laws meant only to drive these people into a forest somewhere or into prison, perhaps for life. **Many laws make it illegal for churches and other organisations to serve meals to the homeless, even to families with children.** Even simple acts like sitting or lying in a park are sufficient for arrest and imprisonment. America is rapidly becoming one of the most heartless nations in the world.

This is an aside from Canada, but a circumstance which must exist also in the US though I haven't researched it. Many years ago, the homes built in Canada usually or often had an attic and also often a detached garage also with an attic. These elevated spaces often had separate outdoor entrances, and were rented inexpensively to the unemployed, underemployed and indigent who would otherwise be homeless. And in those days, I cannot recall ever seeing a homeless person in my city in Canada. Then **the same cruelty by the same people changed the landscape overnight.** Canadian cities uniformly suddenly passed new by-laws declaring residential areas as restricted to "single-family dwellings", thus making all such rentals illegal, and overnight hundreds of thousands became homeless, with no shelters, no social safety net, and no options other than to sleep in the streets. Of course, they rationalised their actions on the basis of public security, sanitation, humanity and much other nonsense, but **the actions were pure evil.**

In the US, Canada, and parts of Europe, more than 40% of all young people under 30 now live with their parents, having moved back home because they cannot afford to live on their own. We have very high unemployment rates at this age range and housing costs are still rising appreciably, so many are returning to university, but the high costs of education almost demand parental support. The picture isn't much better for graduates. But having adult children at home isn't free, and many parents find they must delay their retirement and continue working to support their adult children and the related education costs.

The UK contains as many shattered dreams as does the US, though we hear little about this in the media. UK home ownership has reached its lowest level in 35 years and the chance of young people buying a home today is becoming slimmer by the month due to the same class warfare as exists in the US, reducing wages and credit. In both countries, owning a home is the privilege of the elites, no longer for the common people. If this isn't bad enough, UK homelessness has reached a 5-year high, with media articles detailing that people are now living in caves. Manchester has seen an almost 45% increase in homelessness in just one year, and the number of adults and families requesting charity support has more than doubled in only the past three years.

With its rather small population, the UK has more than 50,000 homeless families and another 5,000 families living in temporary bed and breakfast places where they can pay the small fees by the day. One executive said that many UK families were at the "breaking point". About 30% of all UK residents have had to cut back or eliminate their use of gas and electricity in order to afford their rent or mortgage payments. And 57% of all UK adults, and 65% of all families with children said they were struggling to pay their rent or mortgage. The UK Independent published an article in early 2015 reporting official government figures stating that at least 10% of the population were going hungry, and that "The cost of the basics in life – rent, food and heating – has far outstripped headline inflation, earnings and benefit levels." And all this was prior to Europe's new gas war with Russia in 2022. The picture is much bleaker today.

## Home Ownership

For decades the US boasted of its high rate of home ownership that was never really as high as the statistics suggested, but nevertheless did increase with increasing wages and the building of the middle class, until the 1980s. **The Great Transformation changed that to the point where less than 60% of Americans own their own homes today**, with the percentage still falling, and highly unlikely to increase, with no improvement in the economy and only low-wage jobs available. The rate today is commonly stated at about 65%, which would make the US about 50th in the world,[45][46] but from examination of the raw data this rate seems exaggerated to me by as much as 10% to 15%; it is not easy to know for certain, and **a cloud of suspicion exists because the US so obviously falsifies all its other economic data.**[47]

As an indication of the degradation in wages and income from the 2008 disaster, the average family spent about 22% of its income on housing in 1950, but must spend 46% in 2014. The housing market is therefore dead, with purchase offers almost non-existent in many cities, **except from hedge funds who are buying up all the homes as rental properties.** I still recall Warren Buffett saying that the best investment in the US (after the contrived 2008 housing disaster) would be to buy “a couple of hundred thousand” repossessed homes and put them on the market as rental properties. **That was the plan. Think about this.**

Home ownership in the US is at the lowest in decades, in a generation, in fact. So many homes have been repossessed that in some states like Ohio, until recently 30 percent of all homes were bank-owned, and in Nevada more than 70% of all homes have mortgages greater than the property's market value. I have noted elsewhere that the **banks and vulture funds are now active in the US real estate market, buying up foreclosed homes at heavily reduced prices, and renting them out – often to the same people who lost them in 2008.** Given all this activity and, in what should be a shocking revelation, the banks and vulture funds today own a greater share of residential housing net worth in the US than do individual Americans. By contrast, China's home ownership rate has increased from 80% in the late 1990s to 93% today, with about 97% of rural dwellers and 85% of urban residents owning their own homes. This is a good place to ask ourselves which country has the more competent and humane government and the best economic policies.

The fallout from the 2008 crisis, and especially the financial destruction from the losses of homes, is far from over and will have a tail extending for perhaps another ten years. It used to be that when a homeowner suffered a financial disaster and could no longer meet mortgage payments, he could simply return the house to the bank and walk away, accepting his damaged credit rating as the price of a fresh start. No longer, because returning a house to a bank is not the same thing as the bank accepting that house – and many are refusing. When a bank completes a foreclosure on a house, it becomes responsible for all taxes, insurance, utilities and maintenance, and of course must then write down its asset – the mortgage – by the reduction in market value it can achieve on a sale. American banks have become increasingly reluctant to take this step, partly to avoid the heavy monthly carrying costs of so many unproductive assets and partly to avoid the heavy write-offs on their financial statements.

The result is that many US homeowners who abandoned their homes (and mortgages) as far back as 14 years ago have been surprised to discover that their bank never did complete the foreclosure requirements – even though the owners were evicted from their homes – and that they still bear full legal liability for more than a decade of taxes and other expenses which have never been paid. Many, after years of believing that house was in the past, are suddenly finding their wages garnisheed and their tax refunds seized by the banks. It is worth noting here that in the past, an inability to discharge one's debts in a timely manner was looked upon with scathing religious disapproval and moral condemnation – except for corporations. The banks in particular assaulted financially-troubled homeowners with their moral Christian responsibility to pay their debts, using everything from appeal to honor to threats of eternal damnation to protect their assets. But suddenly, with a

crashed housing market and a flood of bad debts the bankers appear to have abandoned religion and are walking away from foreclosures with far more eagerness than homeowners ever had when walking away from mortgages. Ethics, it would appear, are relative. As someone wrote, banks harassed homeowners about “the importance of setting a good example for their children, and even about protecting the values of neighborhoods. Well, good examples and neighborhoods be damned. Now, if it’s not in their economic interest to foreclose, they’re not going to foreclose.”

One sign of the long tail of the 2008 crisis is in **the nation’s more than 50,000 storage companies**, a kind of condominium warehouse where people can rent space, perhaps 20 square meters, to store their surplus furniture and other belongings they prefer to not sell. The number of these firms has increased by ten times – 1,000% – since Reagan appeared, to the point where there are now more than 1,000 for each state, a truly remarkable development resulting from the losses of homes and forced relocation to smaller accommodation. These facilities probably store contents for something like 25 million or 30 million people. But even more remarkable is that these firms are now holding exploding numbers of auction sales of the contents of all these storage units, where the renters have been unable to pay even the very minimal monthly rental fee on their storage space. After being ejected from their homes in 2008 and 2009, homeowners transferred their remaining worldly possessions to these storage yards in the hope of one day having another residence and being able to continue. Clearly, those dreams are now dead.

### **Jobs and Labor**

US unemployment today is very high, nearly as high as during the great depression if we calculate the numbers without deceit, and yet the number of good jobs continues to shrink at an alarming rate to be replaced by low-wage and low-talent employment. One study demonstrated that there are actually fewer payroll jobs in the US today than there were in 2000, even though the population has grown by more than 30 million people since then. With the rapid and continuous shedding of high-value jobs, the number of the ‘working poor’ is correspondingly increasing rapidly, and the competition for all jobs has become fierce. Many qualified applicants tell of submitting 300 resumes each week, with no result, while even a single low-paying job can attract 1,000 applications. Those who are employed have lost so much financial ground they can no longer maintain a middle-class lifestyle even with their credit cards, and so **the mass migrational descent into the lower class is by no means complete**, as is true for the bankruptcies. The 2008 recession eliminated primarily high and middle-wage jobs, with almost half of all new employment at the lower end of the spectrum. Half of all American workers today earn less than \$2,000 per month. **The US government and its media mouthpieces speak of the Great Recession of 2007-2009, but this was always a lie.** It is in reality the Great Recession of 2007-2022 and counting. The claims of the recession having ended in 2009 are little more than a cheap propaganda trick to deceive the American people and deflect the blame. But the people do not seem to be fooled. In one recent survey, nearly 90% of respondents believe that (a) there will be no ‘recovery’ and no improvement in unemployment until “many years” have passed, or that (b) there would never be a recovery at all.

In July of 2013, **Mortimer Zuckerman** wrote a thoughtful and informed article for the **WSJ** titled **The Full-Time Scandal of Part-Time America**<sup>[48]</sup> in which he, a little too gently, devastated the US government’s unemployment statistics by pointing out that the almost 300,000 ‘new jobs’ created in June were mostly smoke, in that full-time jobs plunged by well over 500,000 while part-time labor increased by about 800,000, a distinction the Labor Bureau apparently found unworthy of mention. The sad truth is that low-paying jobs now account for almost half of all employment growth and even with that, less than 60% of Americans have a job of any kind. Zuckerman noted what he called ‘a political contribution’ to the job trend in that, after Obama’s health care act mandated the provision of health insurance to all those working more than 30 hours per week, companies immediately cut workers’ hours to less than 30, often dividing one full-time job into two part-time



jobs, to avoid that benefit cost. **Keith Hall**, a senior researcher at George Mason University, said that **97% of net new job creation was in part-time work**, and we have seen much documentation that **less than 60% of all employable Americans have jobs**; 40% of the entire workforce is currently unemployed. That total is more than 100 million people, and may be worse because the government's statistical wizardry tells us the 60% is people who either have a job or "are looking for one". **It is only the statistically-induced fraud in the definitions that permits the government to claim a 7% unemployment rate.**

We've seen some feel-good rhetoric floating around about the US economic recovery, about house prices rising and the unemployment market improving, but that has all been smoke too. Perhaps the greatest fear is that **permanent, full-time jobs are passing into history as a feature of the American employment landscape.** Meanwhile, increasing numbers of Americans are dropping from the middle class to the lower classes, more than 25% of retirement-age individuals are postponing retirement due to a lack of funds, more than half of all retirees are either selling or fully mortgaging their homes to pay for medical expenses, more than half of young people under 35 are living at home with their parents because they cannot afford to live alone. More than two-thirds of American parents claim their children will have a poorer standard of living than they did. So much for the American dream and the land of opportunity. Europe is not doing well, either, with the overall unemployment rate at 26 percent and youth unemployment rates at very high levels, Spain being the worst at almost 55%. I read reports that the French government was offering to pay 75% of the salaries for young people who are given jobs, but companies still will not hire.

Many large American companies are increasingly outsourcing their labor to **temp agencies** as a way to maintain worker insecurity, pay low wages and avoid the costs of benefits like Medicare, pensions, and even paid holidays. Many of these so-called 'temporary' workers are in fact full-time permanent employees who have been in the same job with the same firm for as long as ten years, but they will never be promoted to regular staff because of the greed for profits. This is one of the methods of profit maximisation firms like Coca-Cola and the American pharmaceutical companies are now importing to China, the same wage theft these firms practice in nations from the US to Guatemala. As I've already described elsewhere, **American universities, even though flush with cash in their endowment funds, have adopted the same formula for the same reasons, using temporary and contract teachers, so-called "adjunct professors" earning perhaps \$20,000 per year.**

Another institutionalised form of wage theft that has rapidly gained currency in the US – and which the Americans are desperately attempting to transplant to China – is the curse of **unpaid internships**.<sup>[49][50]</sup> These are meant to provide valuable work experience for young graduates and enhance their chances for employment, but the system doesn't work that way. There are countless stories of young people working one unpaid internship after another, but receiving no job training of any kind and of course never being offered a real job. There are now so many of these young unemployed perpetual interns in the US that they have apparently created a new kind of subculture, as someone put it, "like an army of worker ants with a distinct identity". Ross Perlin wrote a book on internships titled 'How to Earn Nothing and Learn Little' in which he noted that Labor Department regulations stipulate vocational education during internships and forbid firms substituting unpaid interns for paid employees. But the corporations find these regulations "highly open to interpretation", which means nothing will change.

It seems an unfortunate truth that the only real action in the US labor market today is in what is called **'The Task Rabbit Economy'**<sup>[51][52][53]</sup>, that is, an online marketplace for odd jobs and chores. Here, desperate unemployed single mothers can find a few hours' work walking someone's dog, weeding a flower garden or cleaning a toilet, and earn enough money to buy some baby milk. According to the website, it is "a marketplace dedicated to empowering people to do what they love." Right. Unemployed teachers and accountants, cleaning toilets part-time so they can feed their infants – 'empowering me to do work I love'. The

American Dream, indeed. These are what the excited media call “contingent” or “alternative employed” workers, which numbered about 20 million in 2005 and are estimated at as much as 60 million today. One columnist, clearly impressed by this new alternative economy, gushed that “What’s diabolically brilliant ... is that prospective errand-runners bid against one another for jobs. To get an assignment, an aspiring Rabbit offers to do the chore for less money than he or she thinks other prospective Rabbits are bidding. That’s what makes it a metaphor for the new economy, a dystopia where regular careers are vanishing, every worker is a freelancer, every labor transaction is a one-night stand, and we collude with one another to cut our wages.”

As **Robert Kuttner** pointed out, “it brings back the 19th century, an era when most people who didn’t farm or own property were casual labor”, and he is precisely correct. Not only the US economy, but the entire American social landscape is being forcibly reverted to the conditions that existed prior to industrialisation, prior to the time when there were real full-time jobs. Another “runaway success story” is an online offering that permits the non-homeless poor to earn a few dollars by renting out a spare room by the day or the week. The website claims to have 350,000 willing hosts which, if true, indicates the US economy is in even worse condition than I imagined.

If the above substitutions for a real job aren’t bad enough, we have a truly gifted offering from **Thomas Friedman of the New York Times**, in an article that offers a personal, private recession recovery for every American – have a garage sale. Sell the used junk in your house and, if you’re lucky, retire. This is what he touchingly calls “**a sharing economy**”,<sup>[54]</sup> and tells us excitedly – indeed, almost breathlessly – that this is “producing both new entrepreneurs and a new concept of ownership”. According to him, by selling your unwanted junk, you as a consumer “are being “empowered” to value and sell your belongings in ways that weren’t previously possible”. I’m not sure about the last part, because we have had garage sales for as long as I can remember, but let’s not quibble. Also, it appears Friedman’s understanding of the “new concept of ownership” is to sell what little you have and to no longer own anything. But again, let’s not quibble.

Anyway, I’m actually being “empowered” to “value my belongings”. According to Friedman, these junk sales are the  $E = mc^2$  of the new America: “These risk-takers never got the word that China will eat our lunch or Germany will eat our breakfast, so they just go out and start stuff, and build stuff, and invent stuff. They are part of a budding new economic activity called the sharing economy ... which **offers a new avenue for the middle class to create wealth and savings.**” Well, maybe, but I’ve had garage sales before, and I have to say I didn’t think I was either starting, building, or inventing anything. I thought I was just selling junk. And in the aftermath, I don’t recall having created anything that might have been categorised as either wealth or savings. It was more like take the kids to McDonald’s. I have to say that a garage sale prompted by economic destitution and distress hardly seems to qualify as either entrepreneurial or inventive and innovative, much less wealth-building, but then Friedman is special in ways I won’t even try to explain.

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