

Face the Truth

Fabio Gonzalez

It's not easy living in a society filled with ghosts from the past. These ghosts terrorize us today and play a critical role in situations in which we find ourselves. American society is filled with ghosts in the form of social problems that have been caused by policies that have become prevalent in the last few decades. Getting rid of ghosts is not easy, but an equally difficult task is living in a society in which rich people become richer and poor people become poorer. The dream many people have of one day being rich is continually becoming more of a fairy tale than a dream. Dreams can come true, but fairy tales only exist in books or movies. As the dream becomes more of a myth, society has to deal with problems created by our policies, nothing less than pain and suffering. People tend not to believe in society anymore, and what we have instead is an abyss of inequality. The wealthy use their power to crush the less fortunate and reduce government's role to that of an outsider who cannot intervene.

We live in a society that accepts neoliberalism as the policy to rule our economy. Neoliberals believe in shrinking government and prohibiting it from involvement in the economy. They believe in a set of policies known as D-L-P, Deregulation, Liberalization, and Privatization. They support deregulation of the economy, and urge the government to remove restrictions that companies have to follow, such as the national minimum wage. Neoliberals would prefer to eliminate anything that can affect their ability to produce a profit or decrease their chances of becoming richer. They would like to be able to invest funds in other countries and to have people in other countries invest funds in America. Neoliberals want the government to make massive tax cuts for businesses and high-income earners. Also, they want to abolish any kind of government aid such as welfare (Steger and Roy 7). They do not believe in the government playing a pivotal role in the economy like during the "golden age of regulated capitalism."

The period between 1945 and 1975 is known as the "golden age of regulated capitalism." Just the words "golden" and "age" are exciting! During this period, the government imposed restrictions on the economy, raised taxes for rich people, helped lower the unemployment rate, helped emerging strong unions in order to create better benefits for workers, and came forward with welfare to assist low income families. Also, during this period Keynesian policies emerged and were embraced by the government. Keynesian policies extensively helped the economy. We found the government stepping in and spending money in times of crisis. The injection of money into the economy helped the nation because it created cash flow. People had money and were able to spend it. Also, the government hired people to build new infrastructure, which created jobs, reduced unemployment and

strengthened the country as a whole. The role of the government in the economy during this period was vital, and it shows how there is hope in closing the gap between the rich and poor if the right approach toward the economy is taken. The United States should reject neoliberalism and its policies.

We are often reminded about the big gap between economic classes in the United States. Class inequality is not a new issue. Capitalists have been trying to use the economy to their advantage for decades, and their actions have created a society where only one percent of people do not have to worry about the financial crisis because they keep making money while the people not in that bracket are constantly struggling. Neoliberalism and Adam Smith's ideas are consistent.

Capitalists are always trying to turn a profit, and if they believe their companies will not accomplish this, without remorse, they close them or stop hiring. When companies close, people become unemployed, and their ability to purchase goods becomes almost non-existent. The economic balance capitalists emphasize is meaningless. Adam Smith's ideas and neoliberalism have the same goals for increasing the wealth of the wealthy. They try to achieve this goal by reducing taxes for companies and high-income earners, while other people barely make enough money for food. In a dream society, it should be the opposite, where companies and high-income earners pay higher taxes and help the government provide health care or better social services for those struggling to stay afloat. Unfortunately, we do not have a dream society. Inequality has grown, and class mobility has stalled.

It saddens me to know that unless there is a big change in our economy, or I win the lottery, my financial future does not look promising. Over the years things do not seem to change; the chances of people moving into "elite" groups are slimmer by the day. In recent decades, the inequality has clearly grown. Looking at the distribution of net worth and financial wealth in the United States, 1983-2007, we see the increase of net worth for the top 1% from 33.8% in 1983 to 34.6% in 2007; while the net worth for the bottom 80% was reduced from 18.7% in 1983 to 15% in 2007 (Domhoff table 1). One would think that over the years more people would have the ability to increase their wealth, but it has been shown that the 1% are the only ones achieving this.

There is a funny game called catch up, and this game is being played in American society daily. Nobody needs to sign up; everyone is automatically a player. The bottom 80% is trying to catch up with the top 1%. Lower class people believe their hard work is their golden ticket to the top, but these people live in denial. It does not matter how much people try to move to a better place in society known as the "middle class," the chances of reaching that point are almost none. The chances of poor children making their way to the top are exceptionally low. We believe in an equal society, but there is no worse blindness than when a person chooses not to see, and it is time to open our eyes and realize we do not live in that type of society. We are separated into two groups, the card punchers who work for a salary or hourly wage and the ones who own the companies where those card punchers work. Class mobility here is low compared to that of other advanced countries, especially in Europe (Wessel). Education is believed to be a fundamental

tool for success in society, but a college degree has become the new high school diploma, and a bachelor's degree can only get a person so far. Class mobility moves more slowly than was previously thought, and around 45% to 60% of the parents' advantage in income is passed to their children (Wessel). As a Colombian immigrant whose parents came from nothing, it is crushing to know my future will have to be built with blood and tears if I want to get out of the bottom 80%. Financial wealth is like a paradise where the top 1% are the saints and have access to a wonderful place, and the bottom 80% are the sinners who spend their whole lives trying to get beyond that struggle.

The gap between rich and poor has only become bigger with the recent economic crisis and its high levels of unemployment. Companies are being closed continually, and people who have dedicated years of service have had to start from zero again. The two major reasons for companies' closures are the practices of using technology and outsourcing jobs to other countries (Witte). Companies are always trying to turn a profit at any cost and do not care about their employees or their financial future; they are only looking for ways to reduce labor and material costs. An easy way to reduce labor costs is by outsourcing. Workers here are protected by minimum wage laws while in less advanced countries workers can be paid close to nothing. Also, machines and other types of technology are replacing workers, and do not demand sick days or vacation pay. In some cases, people are replaced by technology that has been created by those same people who later become expendable because of the very technology they helped create. Obviously, companies shutting down increases inequality, a poison that fills people with deep emotions of hopelessness.

Inequality is significant in health care. The type of health care a person receives depends on the person's social status and how wealthy they are. The bottom 80% have to rely on health care provided by the government which can be non-existent at times; in order to obtain government subsidized health care, the person's income needs to be so low it will be a problem to meet other needs such as for decent housing. The connection between class inequality and health is direct. The type of health insurance a person has, or not having any insurance at all, can be the deciding factor between life and death (Scott). The bottom 80% lives in fear of getting sick because visiting a doctor is often not an option. The top 1% can afford the best possible health insurance while the bottom 80% sometimes opt for emergency hospital care instead of regular steady medical attention. Inequality can determine people's health; also, unemployment itself can lead to medical conditions that present major health issues down the road. This is the same unemployment that occurs when hiring stalls because the top 1% needs to supplement their already fulfilled needs.

The greatest tangible inequality starts with children and the type of education they receive. Children have big dreams, to become a cop, a doctor, a lawyer, and president. Many children, however, do not have the slightest chance of achieving what they aspire to. Our school system has vast inequalities. It's well known that schools differ based on social class, and social class is connected to location. It's been said that our schools educate two kinds of children, those who

will become leaders and those destined to be followers (Kozol 434). Schools for upper-class children provide an outstanding education while schools for lower class children are neglected, run down and poor on resources. In a vicious cycle, inequality in education reinforces inequality. Children are the future and when they are not well educated, social mobility is out of the question. Poorly educated children are prompted to follow their parents in the bottom 80%. Children are our future, but in our society, only the children of the rich will enjoy all life has to offer.

People should not use the word “hate.” It is a strong complicated word. However, inequality should be hated and addressed. It is almost impossible to believe the different conditions people live in depending on their place in society. People are not equal and do not possess the same kind of wealth, but all people should at least have the same quality of health care and education. American society is a joke, and the people laughing are the top 1%. America is called the land of dreams, but the shining sun in the dream has not risen for decades. The future seems cloudy. It is time to join together for a cause that can only make us better and can give people hope for a tomorrow without fear. It is time for people to feel alive again.

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Nominating faculty: Professor Costas Panayotakis, Sociology 3402, Department of Social Science, School of Arts & Sciences, New York City College of Technology, CUNY.

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