

**Democracy and the American Middle Class**

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### **Abstract**

The United States is a democracy. And a pretty successful one too. The definition of a democracy is “a government run by the people, for the people.” That statement is not holding true today, with the shape the middle class is in. We are mostly run by the people, but the politicians we elect do not always run the country for the people. They have let the middle class slip down into one of the worst economic times in history, where people are struggling to stay afloat and not drop down into the lower class, while at the same time the richest 1% of the population is getting richer. Politicians are just now starting to realize how important a strong middle class is to this country, so they are scrambling to find ways to solve the problems, when they could have avoided it all together. The middle class is in a state of disarray, with wages decreasing but hours increasing, and debt growing higher and higher, and the average income dropping almost 10 thousand dollars since the start of the millennium. Now it is just a matter of time before plans start to go in place to fix the middle class in America.

## **Democracy and the American Middle Class**

Thirty years ago, a worker in a car factory earned about the same wage as a small town dentist. Their views in film or furniture may have differed, but their purchasing power would have been relatively the same. Their kids could have played together without feeling like they came from completely different worlds (Applebaum, 2011). In today's modern world, there would be a significant difference between the incomes of those two jobs. When people think of the "American Dream," they do not wish to join the 1%; they wish to be a part of the middle class, the people who have a decent job, car, and house, enough to live as a true American. To have a healthy democracy, you need a strong middle class, because those are the people who keep America running. And with the way the country has been led lately, along with the economic downfalls, most notably the housing market crash in 2008, the middle class has been shrinking.

One of the most alarming changes within the middle class is the rate at which wages are dropping. Since the year 2000, middle class incomes have shrunk 8.5 percent after enjoying mostly steady growth during the previous decade, and the average income for the middle 60 percent of households stood around \$53,000, down from \$58,000 at the start of the millennium (Breslow & Wexler, 2013). It's not just wages that are killing the middle class, there are in fact many variables leading to the current troubles. There is a common theme in America today, the rich are getting richer and the poor are getting poorer, while the people stuck in the middle class are going nowhere. Maybe a hundred years ago, it was much easier to have a rags-to-riches story. You could go from a lower class, second generation immigrant working in a sweatshop to becoming a founder of a successful taxi business, by working your way up through the classes

and earning your money. Today is a much different story. Yes, it is possible to go from nothing to something, but it doesn't happen as often and definitely will not happen as easily.

The relationship between democracy and the middle class is a heavily debated subject. According to a high school text book author, there are five basic notions for the concept of American democracy: a recognition of the fundamental worth and dignity of every person, a respect for the equality of all persons, a faith in majority rule and an insistence upon minority rights, an acceptance of the necessity of compromise, and an insistence upon the widest possible degree of individual freedom (McClenaghan, 2006). Why is there no mention of the middle class? Even after the famous philosopher Aristotle described it as "the most perfect political community, where the middle class is in control, and outnumbers both of the other classes." Some people may not think how much the middle class population has to do with democracy, but according to a preliminary dataset from the 2012 Americas Barometer survey by the Latin American Public Opinion Project at Vanderbilt University, and 41,000 interviews in twenty six countries, it was found that the self-described middle class has become the largest class grouping in America and the political participation within this group is comparatively higher than both the upper and lower classes (Zechmeister, Sellers, & Seligson, 2012). This is a key fact in how politicians decide they will run their campaign, by determining who will actually show up at the polls, they can direct their advertisements and marketing towards people who could possibly vote for them. The issue is how the people of the ever shrinking middle class can take their time to vote for a politician who is doing nothing to solve the problems surrounding his or her respective citizens.

In 2012, a typical American household made \$51,017, about \$600 less than what it was in 1989. There are endless statistics that can be used to compare and contrast the middle class with other classes in society. For example, the average income of the top 1 percent is \$1.2 Million per year, compared to the \$51,000 per year in the middle class. The average net worth of the top 1 percent is \$16.4 million, yet 76 percent of those same people say they are “middle class at heart.” Because of the drop off in earnings, it is getting harder and harder for people to pay for their expenses. The average out of pocket health care spending per household in 2012 was \$3,600. For every fourth American, three of them do not have enough money saved to pay their bills for six months. The amount needed to send a child to an in-state college for the 2012-13 school year was \$22,261; almost half of the median income for middle class families. Another factor in these statistics is the region in which the family is living. The income needed in a two parent, two children home in St. Louis for an adequate living standard is \$64,673, but for the same family in New York it would be \$94,676 (Kamp, 2013).

All of these stats give a good indication as to where the middle class is headed, and for the most part why it is headed there. But they do not tell the story of how it can be fixed. It's obvious that the middle class needs help before things take a turn for the worse, and fall into another “great depression,” so why don't the 76 percent of the nation's richest people who claim to be “middle class at heart” pitch in and help get the economy going again. They make more than enough money to give a little here and there. But rich people do not think like that, once they are over the hump and safely into the “1 percent,” all they care about is making more money and spending as little as possible. In the saying, “the rich are getting richer and the poor are getting poorer”, it true but also has some modifications. The rich are getting richer, and less people are being able to make the jump from middle to upper class. It is not exactly vice versa

either, because it is much easier to drop from the middle class to the lower class. After all, the total number of Americans living in poverty-with incomes of \$23,492 for a family of four or \$11,720 for an individual is a staggering 46.5 million people. And the middle class is stuck right in the center of this, with many of the people in it just trying to stay a part of it but more than likely will fall down into the lower class ranks, while the top 1 percent keeps distancing themselves from the people below them. These sobering statistics give an indication of where the middle class appears to be headed (Kamp, 2013).

Politicians and high ranking officials, especially those who make their residence in Washington D.C., are locked in a constant struggle to gain the upper edge of political power. Now that the middle class is finally gaining some recognition in Washington, senators are beginning to try and figure out a solution. Ted Cruz, a republican from Texas, accused Obamacare six times of bringing to an end the forty-hour workweek, “the backbone of the American middle class.” Even though they are gaining the attention of some political officials, the public is still unconvinced that the show of empathy means politicians are really looking out for the middle class. A writer for the Washington Post said, “In the battle for middle class, all of Washington is losing.” This basically means that, before the government shutdown, the main goal was to gut Obamacare, but as the deadline came and went, both republicans and democrats once again tried to cast themselves as the guardians of the middle class, so both parties are trying to gain support by telling people in the middle class how they are going to fix it and get them out of this hole. But the American people have seen this before, two parties saying the same things with the main goal to get votes from those respective people, and using the middle class as a cover. And the statistics from recent polls don’t lie:

When asked about whether or not they were doing a good job in “offering real solutions to help the middle class,” 62 percent consider the Republican Party either “not too good” or “not good at all.” The Democratic Party is not far behind, with 55 percent in the two negative categories. Among those with incomes between \$50,000 to \$100,000 – the heart of the middle class – the numbers are even more damning. Fifty-eight percent rate the Democratic Party negatively, while two-thirds (66 percent) give similar marks to Republicans (Chidester, 2013).

Something maybe even more surprising is that even after a series of speeches by President Obama, explaining his middle class agenda, 52 percent of Americans judged him poorly in offering real solutions to the middle class. That number is even higher coming from people who make 50 to 100 dollars annually, resting at 58 percent. The Washington Post explains how and why Washington D.C. is failing to fix the middle class:

For all of the rhetoric directed toward this highly-courted demographic, policymakers have been unable to arrest the slow and painful decline of America’s middle class over the past 40 years – a trend exacerbated by the Great Recession. Wages have stagnated, wealth has plummeted, debt continues to mount, the cost of key middle class items – health care, housing, and education – have risen faster than wages, and optimism is in short supply (Chidester, 2013).

Whether it is fair or not can be determined by the individual person, but Washington is taking the blame. A recent poll asked the question, who is at fault for the lack of good-paying jobs in the U.S., and the top response was “elected leaders in Washington who don’t work together” by an

amazing 88 percent of voters. With new technologies on the horizon promising to further transform our world, the middle class is looking for solutions, but they have lost confidence in our nation's leaders to provide them. America is a forgiving country, but for the citizens who reside in it, both political parties have a lot of work to do. Both the democrats and republicans need to work together for the greater good instead of working against each other that just puts the middle class into a deeper hole. And not all of the decisions have to be made by the big men on Capitol Hill. Some of the leadership must come from outside those two parties. A few examples of these possible leadership roles are; university systems, social entrepreneurs, philanthropists, and private enterprise. Every single one of these groups can play a role in rebuilding the model to a successful and thriving middle class. But it cannot be done with a dysfunctional government (Chidester, 2013).

The subject of how to fix the middle class and return it to its once glorious days is becoming a more heated topic now that the effects of letting it slip through the cracks of society are beginning to show. Some people believe that there is nothing more important to discuss in America right now than the shrinking middle class, yet no politician has really stepped up to propose any ideas (Jackson, 2011). Two figures that stand out are the rate at which middle class debt is rising, and how much money is being saved by those families. In 1992, the median level of debt for the middle third of families stood at \$32,200. By 2010, that figure had swelled by 161 percent, to 84 thousand dollars. This rise in debt has meant fewer families are being able to save money for important things like retirement or college tuition bills. In 2001, more than two thirds of middle class families said they had saved enough money in the preceding year, but by 2010 that number was below 55 percent (Breslow & Wexler, 2013). A contributor to Forbes magazine,

has some ideas on how to strengthen the middle class, and restrict the gap between the rich and the poor from expanding in the next decade; First, support enactment of the Ryan Bill, as Paul Tudor Jones has argued, “which would allow U.S. companies to file complaints against Chinas currency policies with the Commerce Department, and would empower the Department to levy tariffs and countervailing duties on imports from China.” He believes that this policy and taking action against the artificial Yuan/ U.S. dollar peg would reduce the American unemployment rate by 1.6%. The other ideas are to support education quotas, accept and even help immigration, push the transition away from oil to natural gas and alternative fuels, embrace the elites, and create a shadow government of elites to give the regular government a sense of competition (Jackson, 2013). All of these plans-of-actions so to speak are great on paper, but people need to start stepping up to the plate and begin to put them in action. If the lower class people get the middle class people to help out, and the middle class people get the upper class people to start talking to the politicians, it’s a chain reaction, and things will begin to fall into place, and the resurgence of the middle class will begin to take shape.

### **Conclusion**

To have a healthy democracy, many components are needed, and one of the most important is a strong middle class. Because the middle class is where a lot of the votes come in for numerous elections, and where a lot of working people fall into, and where people spend money on consumer goods (not like yachts and jets that the 1% spend their money on), the middle class has been generalized as the backbone of America. To put it into perspective, a strong backbone is necessary to the health and well being of a human, so it is the same with democracy. Having a weak middle class can do nothing but harm the system as a whole.

The middle class in this country today is in a less than favorable position, as all the statistics have shown. A lot of those stats sort of sing the same song too, whether it's the drop off in wages and the climb in debt, or the number of people who resent our government for not taking action. The United States was in its worse economic times in its history in the mid 20<sup>th</sup> century, but what came after was the richest, full of life state the middle class was ever in. It will take time, money, cooperation of numerous groups and individuals, and the will to get it done, but it is possible for the middle class to right the ship and begin a new era of prosperity.

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