Poverty & Public Policy
A Global Journal of Social Security, Income, Aid, and Welfare

The Working Poor: Two Perspectives on Reality—A Communication to the Editor Inviting a Discussion

Eric M. Kramer
University of Oklahoma

Two Perspectives on Reality: Bill and LeRoy

In a recent interview, the richest man in the world, Bill Gates, gave us his perspective on things. He confidently stated that even with adjusted inflation, everyone in the United States was better off today than 30 or 40 years ago because of the digital revolution. He explained to the rapt interviewer, Fareed Zakaria, that economic progress had been mis-measured by focusing on income too much. He specified that today everyone has a better quality of life because they can look at Wikipedia and read books online, which cannot be measured through gross domestic product (GDP; Zakaria, 2015). He seriously said this and apparently believed it. I was dumbfounded. He seemed oblivious to the fact that before one can get access to Wikipedia and read books online (which is not so great anyway), one has to have a computer, a cable hookup, and let us not forget a house with electricity. All cost money, much more than the good old public library and interlibrary loan, cultural mainstays slipping away thanks to digital technologies to be sure but also thanks to the reactionary response to the New Deal and the impact that response has had on the public sphere in general. To participate in the "Internet of everything," individuals must be able to afford to purchase expensive terminal technologies and sustain monthly fees for delivery services. There has been a prolonged and concerted effort to shift emphasis toward privatizing resources. This shift in emphasis in the United States has proven to be a serious threat to collectivistic culture and community, and therefore the personal security that comes with group membership. "Gaps" are growing throughout our communities. Of course, this major ideological and practical shift in priorities that emerged as a reaction to perceived perilous leftist tendencies has affected many other things in the United States in the past few decades.

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Here is a different perspective. My father, LeRoy Kramer, was a veteran of the Civilian Conservation Corp and the Marine Corps. He believed in teamwork. He staunchly believed that progress was real, that it is good—a moral imperative—and that it meant that each generation should do better than the last, better meaning having to work less hard for the same things (efficiency). And so across the board, progress did occur from the end of WWII until about 1980 when things began to regress for a vast swath of the American public. This included minorities who have since been disproportionately injured by changes in wealth distribution during the last 40 years. This disproportionality correlates with disproportional political participation exacerbated by increasingly privatized campaign financing and disproportional incarceration rates accompanying an increasingly privatized and therefore opaque criminal justice system (Alexander, 2013; Teachout, 2016).

Because of the Great Depression, LeRoy quit school early in life. After the economy had been upended by unregulated stock speculation in the 1920s, there was no work for hundreds of thousands of people. Like many other young men, he joined the "Three C's." After the war, he had odd jobs and finally landed at Ohio Edison Electric Company as a meter reader. To my knowledge, he never missed a day's work even when the northern Ohio weather was horrible, which it frequently was. I remember him wearing three sets of socks and two coats to stay warm, trudging through deep snow to read meters. He used to quip that one good thing about bad weather was that dogs did not come out and try to bite him as he walked from backyard to backyard. Later, he was promoted to a pseudo-management position as a bill collector for the electric company. My mother, Helen, was a homemaker.

On his salary alone they had a new house in a good neighborhood and a new car every four or five years. They took an annual two-week vacation fishing in Ontario, Canada, and still managed to save a bit of every paycheck in the form of pretax government savings bonds. They also paid for my public university education without any loans. They had no credit cards and paid cash for everything except the house, which my father paid off with an inheritance he received from his German immigrant mother who did laundry, sewed, and sold apples during her 75 years on Earth. Ohio Edison paid him a good solid upper-working-class salary with health benefits and a pension. He understood why.

Though my father was not a member of a union, the line crews for the company that worked out of another building were unionized, and every time they went on strike and got a raise, the staff over on the "management side" also got one, ostensibly to keep the office staff from voting to join the union. It worked. He got the benefits of union membership without having to pay the dues or stand a picket line. Once, the staff on his side of the business got to vote on whether to join the line crews. He voted to join, but the effort failed. He thought that most on the office side falsely believed they were somehow better because they worked at desks—they reasoned they got all the benefits without needing to take any risks; on the other hand, the secretaries, all women, either believed their manager's anti-union rhetoric or were afraid to be perceived as "radical." Nevertheless, he understood that without union pressure, even just the threat of unionization, he would never have gotten the salary and benefits he did. I would have had a different life.

Labor and Poverty

Unions have gotten a bad rap. Some were infiltrated by gangsters to be sure, mostly because, early on, they needed thugs to fight strike-breaking Pinkerton goons and the like. But union people did not make the management and design decisions that destroyed Detroit. Quite the contrary, management made sure workers, who could see how poorly designed the vehicles they were assembling were, had no input. W. Edwards Deming, the "guru" of quality control, could see this coming and tried to influence manufacturers in the United States to focus more on quality than short-term profit taking, but he was repeatedly rebuffed in his efforts by U.S. managers (Aguayo, 1991). So he took his philosophy of "quality first" to postwar Japan and the rest is history. Japanese manufacturers struggling to compete against the U.S. juggernaut embraced Deming's approach to industrial manufacturing. This is widely credited with enabling them to not merely catch up to, but "outpace their American counterparts in industries ranging from autos to consumer electronics" (Lazzareschi, 1993, para. 2).

Deming never preached an anti-union, anti-labor message. Rather, he was preaching to managers to listen to the people who actually put things together and integrate their ideas into the overall process to improve quality. But as Braverman (1998) noted, a dialectic of separating the mind from the hand had taken root in America and had been simmering in an environment of anti-labor ideology, leading to the systematic "degradation of work" (p. 1). This successful attempt to dumb down and disenfranchise the American working class succeeded—to the profound detriment of a large swath of the American population and to American manufacturing prowess.

It took a decade to ruin a century's worth of good will and brand loyalty, but Detroit management seemed dedicated to the effort. Detroit managers made countless poor decisions to move forward with cars such as the American Motors' Gremlin and Pacer, the infamously low-quality Chrysler K-Car, Chevrolet's plastic-bodied Lumina, the Vega (with an aluminum engine that "couldn't hold oil"), the Chevrolet Cavalier (Chevy's first front-wheel drive car that was so poorly designed that parts literally "dissolved in ordinary rainwater"), and Oldsmobile's Cutlass Supreme with a gas engine that "shattered into shrapnel" if driven over 80 mph (Huffman, 2011). Examples of utterly inept management decisions are so numerous that they cannot be accounted for here (see Ingrassia, 2011; Lutz, 2013).

Detroit managers decided that their customers were so blindly loyal that they could take cheap platforms and add some decorative decals, attach silvery plastic bric-a-brac, and slap an iconic label like Lincoln or Cadillac on it and it would sell (Ingrassia, 2011; Vlasic, 2011). Cases in point include the Cadillac Cimarron and Catera. The Cimarron was a "shameful, cynical attempt to compete against BMW with a redecorated version of the front-drive, four-cylinder Chevrolet Cavalier. A self-inflicted wound that nearly killed Cadillac" (Huffman, 2011).[1]

The result of labor degradation as well as indifference to quality and consumer needs in the automobile sector is a historical fact. The results have been devastating. But such massive transfers of wealth from taxpayers to enormous corporations and their executives are not limited to the manufacturing sector of the U.S. economy.

The financial and managerial class has proven time and again to be utterly incompetent, if not corrupt. *Occupy Wall Street* with its slogan, "We are the 99%," which highlights social and economic inequality, is a protest movement against the financial services sector (Van Gelder, 2011). Goldman Sachs took $13 billion from the U.S. treasury in 2008 because it was deemed "too big to fail" (Sorkin, 2010). At the same time, we are told that government welfare for poor families corrupts the virtuous American work ethic, feeding entitlement attitudes harbored by poor people, and thus, as a contaminating influence, such assistance should be avoided (Clayton & Pontusson, 1998). People should be responsible for their behaviors, decisions, and mistakes. However, if corporations are people (Winkler, 2014), then should they not also be responsible? Business owners can take expenses off on their taxes as a cost of making money. Meanwhile, the shortfall in public expenses is made up by middle-class employees working on salary. What has matured is an inherently unjust economic system: government-subsidized capitalism for wealthy and powerful private enterprises.

I was lucky to live in an America that was progressive and genuinely optimistic. Some of my generation managed with much help to stay a little ahead of the down-turning wave, but many did not, and they got crushed. Because he was a bill collector working on the front line of the economy, my father, the patriotic veteran, saw what was coming and became pessimistic. He pushed me to leave the industrial heartland before it rusted to pieces. Unfortunately, many of my high school friends and families remained naively optimistic about America and took jobs in factories and mills that had supported their fathers and uncles only to find them closing after they had already invested a decade or so of their best years into them. Nearing middle age with a mortgage and children, my friends found themselves unemployed. Things did not and have not gone well for them. Today, despite his impeccable work ethic but with only an eighth-grade education and unions increasingly outlawed, I shudder to think how my father would fare in Mr. Gates's economy.

Before he was 65, my father retired in the mid-1980s because, as he explained to me, "Things are getting bad. More and more people can't keep the lights on and they are getting *meaner*." When he started making house calls to collect for the electric company in the late 1960s, most people were apologetic and found at least enough cash to keep the juice on. But things had gotten worse, not better, for the bottom third of America (Davis & Mishel, 2014). Progress had slowed and even in some parts of America, the next generation was not going to be better off than the previous one.

The Working Poor: Subsidizing Cheap Labor for Major Corporations

Most homeless people work. Many work not at just day labor but in jobs expected to last three months or more (Burt, Pearson, & Montgomery, 2006). Millions of Americans live on the edge of homelessness. They dip in and out of the condition by the millions.

A prominent sociologist and I were sitting together at a conference between presentations when he asked me an interesting question: "Are you afraid of being poor?" We had both grown up working class in northern Ohio. Growing up in the 1960s and 1970s, both of us had come of age as working-class kids. In our world, factory and mill work was hard but dignified, and it sustained our communities and satisfied all our families' needs. Many were deeply proud to be a "Steeler" or "Packer," "Railroader" or "Boilermaker," "Tiremaker" or machinist. We did not recall feeling anxiety or sensing that we were in a precarious situation. Work offered more than bare subsistence. It fulfilled people with skills and identities they assumed with pride. Yet we had seen major changes (Kramer & Kim, 2009). We had lived working-class and lower-middle-class lives that were slipping away. We knew people personally, people "like us," who were facing a massive shift toward cheaper labor (via automation, foreign workers, and in right-to-work states). They found themselves endlessly struggling to service mounting debt or were facing, literally, homelessness—conditions we had never fathomed. It was not that either the United States or world populations had stopped consuming (i.e., mass production requires mass consumption) but that labor was under assault.

The rhetoric that some natural and universal law of economics formed an unavoidable and inevitable "pressure" to drive workers into poverty does not make sense, as other countries have maintained the economic viability of their working classes. It is true that China and India entered the world markets and came "online." And yet poverty and homelessness did not surge in Europe, for instance, not even in Germany as it took on the massive burden of integrating the former East German economy. Canada's housing market did not collapse. Swiss banks did not implode. Wealth in Japan did not suddenly start concentrating into a tiny pool of citizens.

Over the years, my friend and I have returned to this topic many times. He has suggested that this fear of being poor, not "tight" but really broke—on the edge of homelessness if not in that state—hovers over vast numbers of people like an ever-present existential malaise with far-reaching consequences that we, as social scientists, have barely begun to understand. In a study of homeless men in Birmingham, Alabama, it was found that most earned on average $90 a week while working an average of 30 hours per week (Wasserman & Clair, 2010). Recent to this writing, U.S. Capitol Hill senators, representatives, and staff were surprised, which indicates a problem of ignorance at the highest level of leadership in the country, when they discovered that Charles Gladden, a 63-year-old man who suffers from diabetes, had been working full time for five years serving them meals and cleaning up in the Capitol cafeteria while also being homeless the entire time. His salary of $10.10 per hour left him only about $360 a week take-home pay, which is not nearly enough for him to afford to live in the

District of Columbia or anywhere near it (Werner, 2015). He had been giving most of his salary to his grown children so that they, and his grandchildren, would not become homeless.

According to data from the U.S. Committee on Education and the Workforce, due to below-subsistence-level salaries at America's largest employer, Walmart, a single Walmart Supercenter cost taxpayers between $904,542 and $1.7 million per year in government assistance to their employees, including food stamps, Medicaid, and subsidized housing (O'Connor, 2014). Walmart spokesperson Randy Hargrove noted that 99 percent of their "associates" earn an average of $11.83 per hour, which is more than the legal minimum wage but clearly is still not enough (O'Connor, 2014). Assistance to Walmart employees accounted for 18 percent of the total nationwide SNAP (food stamp) monies, which means that taxpayers are subsidizing Walmart's practice of below-subsistence salaries to the tune of about $13.5 billion per year. Similar "outsourcing" of employees in the fast-food industry to American taxpayers has been documented with Pizza Hut, Taco Bell, and KFC employees taking about $648 million in government subsidies each year (O'Connor, 2014).

Who Needs Help?

We can no longer presume the help of extended clan and the supportive milieu of the Mesolithic and Neolithic hamlet or village, which nurtured our species for countless generations. Desmond Morris (1969/1994) argues that with modernity comes a "dangerous" swing of the behavioral pendulum of human beings from an emphasis on communication and cooperation to competitiveness. Benjamin Franklin, America's philosopher of virtue and money who famously quipped that time is money, also opined that God helps those who help themselves. And as political and sociocultural tides shift, governments that once stepped in to offset the decline of clan-based social security are bit-by-bit withdrawing protections for the least affluent among us.

It must be understood that the social safety net of government assistance has been and still is used by not just a few but by millions of Americans who, through the course of a lifetime *occasionally*, not chronically, find themselves between jobs, strapped with a hefty medical bill, or facing a crisis, such as divorce, with financial consequences (Ensign, 2016).[2]

As factories closed and at the same time the country started to cut back on social support, people started getting frustrated and angry—"meaner." In just six years from 1981 to 1987, the number of people below the poverty line increased by 40 percent (Kramer, 1997). Over half were children, and most minorities. "Cuts of nearly $50 billion in federal social-welfare programs exacerbated the condition for the poorest of the poor. Reductions in subsidized housing from $30 billion in 1981, to $7 billion in 1988, made 'homelessness' a common term. The number of Americans without any health insurance rose to 37 million" (Kramer, 1997, p. 168). The inner cities, where most black Americans resided, were increasingly abandoned by the federal government. Federal support to cities dropped from

22 percent of their budgets to 6 percent during this period (Dreier, 2004). Deregulation of the financial sector, such as banks and savings and loans, led to the massive Silverado Savings and Loan corruption scandal.[3] A total of 1,043 savings and loans, nearly one-half, failed. It took over $136 billion of taxpayer money and a decade to settle the accounts (Bovenzi, 2015). Then in another wave of deregulation beginning around 2001, the pattern was repeated, only on an even larger scale that threatened global economic stability. By deregulating lenders, easy credit allowed housing prices to soar in "an orgy of commercial and real estate speculation" (Bovenzi, 2015; Dreier, 2004). Following the massive financial crash of 2008, a huge bailout was implemented and the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 regulations were put into place to stop such a disaster from being repeated. But "conservative" forces immediately began working hard to chip away at them (Bovenzi, 2015).

Simultaneously, as wealth was concentrated, a frenzy of tax cutting made that apparatus for wealth distribution useless, thus shifting more of the cost of running the country onto the dwindling middle class. For every dollar a billionaire does not pay to run an aircraft carrier, a middle-class taxpayer has to make up. The cost of running the ship does not change.

The middle-class salaried employees who cannot dodge taxes dwindled, and wealth disparity grew exponentially based mostly on cuts to capital gains. In a 12-year period from 1978 to 2000, the percentage change in CEO annual compensation at the top 350 U.S. firms (ranked in sales revenue) skyrocketed by 1,279 percent (Davis & Mishel, 2014), much of it in the form of untaxed stock options. Meanwhile, salaried worker compensation during the same period rose only 1.4 percent. The change in CEO-to-worker compensation ratio during this period rose to 353.6 (Davis & Mishel, 2014). By comparison, the CEO-to-worker compensation ratio increased in the previous 12-year period from 1965 to 1978 only 9.9 percent. In 1978, the average CEO of the top 350 U.S. firms made 30 times as much as the average worker at the same firms, but by 2015 it was 295 times, which is actually a dip from the absolute peak of 383 in 2000. Since the Wall Street crisis of 2008, the gap narrowed but is once again growing. Davis and Mishel (2014, p. 1) conclude:

> Over the last three decades, CEO compensation grew far faster than that of other highly paid workers, those earning more than 99.9 percent of other wage earners. CEO compensation in 2012 was 4.75 times greater than that of the top 0.1 percent of wage earners, a ratio 1.5 higher than the 3.25 ratio that prevailed over the 1947–1979 period (this wage gain is equivalent to the wages of 1.5 high wage earners).

Why this sudden acceleration in the top one-tenth of 1 percent of wage earners even relative to other high earners (those earning more than 99.9 percent of all wage earners) has occurred has been debated. But most recently, data have become available to researchers that have led to firmer explanations. Researchers recently (as of this writing) gained access to private earnings data for every company between 1978 and 2012. They found that the pay gap between the highest-paying firms and all others had "exploded" (Song, Price, Guvenen, & Bloom, 2015). There were two reasons. First was the practice of crony capitalism or interlocking directorates. According to Sabadish and Mishel (2012, para. 3), "a key driver of wage inequality is the growth of chief executive officer earnings and compensation." Piketty (2014, p. 315) agrees, noting that "the primary reason for increased income inequality in recent decades is the rise of the supermanager." Piketty (2014, p. 332) further explains that "wage inequalities increased rapidly in the United States and Britain because U.S. and British corporations became much more tolerant of extremely generous pay packages after 1970." Corporate executives appoint each other to their boards, thus ensuring that they rubber-stamp outrageous pay packages for each other, outrageous because the compensation packages have far outpaced their companies' stock performances. Raises for executives increasingly had no relationship to merit based on measurable institutional performance.

The second reason for the explosion in income inequality in the United States is that while it is a fact that massive increases in Wall Street and corporate executive compensation explain as much as 60 percent of the increasing share of income going to the top 1 percent over the past 30 years, "deregulation has freed the banks to not only get into new businesses, but also take bigger risks, which has supercharged their bottom lines and bonuses (but made them blow up when those bets have gone bad)" (O'Brien, 2015, para. 5).

So compared with other places, income inequality is not bad in the United States, right? Wrong. During the last four decades, the United States has had the most rapid shift in wealth upward by far, with the highest income inequality among the most developed countries in the world. Since the 1970s, the top 1 percent of earners in the United States has roughly doubled its share of the total American income pie to nearly 20 percent from about 10 percent (Stiglitz, 2013). This gain is easily the biggest among all developed countries (Alvaredo, Atkinson, Piketty, & Saez, 2013). According to the GINI index, out of 141 countries only three had larger income gaps: Chile, Mexico, and Turkey (World Bank, 2015). This cannot be explained by rising globalization and inflation because European countries, Canada, Australia, and others also living in the global economy have not seen such a massive shift in wealth toward the top .1 percent. Why? Take France, for instance. It has seen the return of rentiers (i.e., people who make money not from offering products or services but from patents, copyrights, interest, capital gains, inheritance, and the like) in the post-World War II period, back to levels not seen since the 1920s. However, the level of inequality seen in the disastrous "roaring '20s" has not returned. Inheritances have increased, but tax policy has moderated the rush of money upward to a non-laboring class of elites as wealth compounds. Starting in the 1980s, the United States took a very different policy track from France and even England, and all the other most developed economies, especially with regard to cuts in capital gains (making money with money and not production) taxes, which explains its status as a leader in income inequality.

The move to the right Reagan initiated did not stop with him. Currently there are political efforts to resist legislation that would provide an "earned income tax credit," which even Reagan supported for working families (Hunt, 2014). The cuts in taxes are mirrored in cuts to social programs aimed toward the poorest of the poor. Such policies put in place benefiting the already well-to-do are pushing thousands into homelessness. This trend began in the 1980s and has continued threatening the progressive American dream that each generation will be better off than the last (Reich, 2012).

For the first time since 1914, in the 1980s the United States borrowed money instead of raising taxes to rearm, and so the federal deficit doubled. David Stockman, the budget director at the time, would later pen *The Great Deformation* about mistakes made. He argued that capitalism had become "corrupted" due to crony capitalism, tax breaks for the rich that shelter them from free market risk, and massive bailouts for the richest of the rich. What he observed was not a trickle down but rather a gushing upward of wealth (Stockman, 2013).

While unable to wow people with an ability to rattle off the names of famous mentors or mesmerize with an ability to work, what was then, primitive but impressive computerized spreadsheets like Stockman, my father, the bill collector, saw economics up close and real. He took early retirement in 1985 because the stress was too much and he had literally been threatened with guns more than once for daring to turn off people's access to power, which leads to spoiled food, no heat, and sitting in the dark, among other things. When you turn off the power, a home is transformed into a dead building and people feel as if they are squatting in an abandoned structure. They are on the edge because typically if you cannot keep the lights on, you cannot make the mortgage,[4] let alone read books on one's personal computer, a fact my poorly educated but wise father understood.

Acknowledgments

I wish to acknowledge the work of Dr. Elaine Hsieh. She gathered and published a book of artwork, poetry, and accounts from homeless citizens in Norman, Oklahoma, which motivated this piece.

Notes

1. The Cadillac Catera was summed up this way: it was "an oafish 3,900-pound German Opel with a 200-hp English V6 slowly lugging it through a French four-speed automatic. It took three countries to build this crap [sic]—and GM to call it a Cadillac" (Huffman, 2011). Taxpayers repeatedly bail out Chrysler (including the 1979 $1 billion government bailout, the largest in U.S. history up to that date). Even Daimler Benz (DB), came to the rescue of Chrysler in 1998 with a $37 billion acquisition. At the time, Chrysler had a super computer in Auburn Hills, Michigan, that DB was eager to get access to (Vlasic & Stertz, 2000). But despite Chrysler's advanced technology, the problem at Chrysler was not hardware but software, specifically organizational culture. It was cultural differences that led DB to divorce Chrysler after just seven years (Badrtalei & Bates, 2007): DB executives were stunned to learn how much Chrysler executives were being paid for subpar

performance, and also about how low worker morale was at Chrysler. Chrysler and GM languished until 2008, losing market share year after year to Asian imports until the U.S. government stepped in again. Unlike previous auto bailouts, the Obama administration stipulated that the government (qua taxpayers) be made partners to make sure that the restructured companies finally operated rationally (Rattner, 2010).

2. As Morris (1999), Reagan's official biographer, noted, this includes Ronald Reagan himself, whose family took federal assistance for a time when he was a boy. After his acting career tanked and he went through a painful divorce, Reagan drifted. Then corporate America came calling. From the time he was young until he became president, he was educated in the 1950s about American economics not by university professors but by staunchly anti-Communist, qua anti-labor managers at General Electric who hired him during the Red Scare to travel around to its factories and give anti-union speeches to its employees. Despite the fact that union memberships swelled after WWII with returning war veterans, according to General Electric, to be pro-union was to be anti-American. And by implication, to be anti-union was to be pro-American. To be pro-union was to be a Stalinist/Maoist. Educated and primed by countless rehearsals of the GE perspective, Reagan made the GE line the core of his political stump speech. The first salvo of his ideology was made clear in his famous "welfare queen" story, which he first told during a 1976 presidential campaign speech about a woman, a real black woman named Linda Taylor, who had already, by the time of his speech, been charged with welfare fraud and was awaiting trial (Levin, 2013). By taking one extreme example and linking it to an entire category of people (classic scapegoating), Reagan's rhetoric functioned, albeit illogically, to stereotype all who were on assistance. But rather than support a government agency's success in capturing a crook, Reagan chose to cynically distort the story by fabricating parts and overtly stating that this one case was proof that the entire system of aid to poor American citizens was "broken" (Levin, 2013). They needed "tough love," a character lesson, rather than an unlimited supply of freebies.
3. Deregulation was largely achieved by two laws, the Depository Institutions Deregulation and Monetary Control Act of 1980, and the Garn–St. Germain Depository Institutions Act of 1982.
4. Thanks largely to government efforts to help people refinance their homes and attain health insurance coverage, the number of Americans in poverty declined in 2013 for the first time since 2006 (U.S. Census Bureau, 2014). But still there were 45.3 million people in poverty, with about 20 percent of children living in poverty (U.S. Census Bureau, 2014). As of March 2015, the Department of Housing and Urban Development (HUD) had extended financial aid to stave off foreclosures nearly 8.6 million times (U.S. Department of Housing and Urban Development, 2015). During just the fourth quarter of 2014 (the most recent data available), HUD had helped over 10 million families try to stay in their homes. Since April 1, 2009, nearly 30 million homeowners refinanced their homes with the help of HUD programs (U.S. Department of Housing and Urban Development, 2015). Meanwhile, the U.S. population is aging, which means people can no longer work and whatever savings they have are threatened by health costs, which skyrocket toward the end of life. And today, in 2016, women's salaries still lag far behind men's, and they are more likely to be impoverished (National Women's Law Center, 2015). After a lifetime of unequal salaries, elderly women and minorities are especially vulnerable (Fisher, 2015). Millions of aging Americans are on the verge of homelessness, exhausting every asset they have. For those lucky enough to have equity in a home, they are turning to predatory lending via reverse mortgages that eliminate one of the bulwarks of U.S. prosperity, inheritance.

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