What's Keeping Me Up at Night

It may seem odd, but the latest terrorist attack on a Northwest Airlines flight to Detroit is not what's got me worried. What's got to me is a very short book by a senior faculty fellow at the Yale School of Management titled It Could Happen Here (HarperCollins Publishers, 2009). The author, Bruce Judson, argues that American democracy is at risk not because of outside attack but because a 30-year rise in income inequality is leading the nation toward political instability and/or revolution. The strongest part of his argument is that income inequality has reached unheard of levels, with the top 10 percent of American families receiving nearly 50 percent of all U.S. household income, the largest level of income inequality ever officially recorded!

So why lose sleep over this kind of thing? Because now when the Community Service Society does polls about low-income working families in New York City (over three million people), signs of what the author is talking about are emerging across virtually every demographic. Our latest survey, The Unheard Third 2009, reveals job losses at unprecedented levels, and hunger and lack of health care escalating fast. Savings for a majority are almost nonexistent. And after welfare reform, our safety net programs are woefully underfunded to handle the fallout of the "Great Recession."

What's also evident in Congress and on the street is a generalized anger among the bedrock of the Democratic Party, particularly the Congressional Black Caucus, that the bailout of big banks and large financial institutions in the first stimulus may have saved the financial system, but seems to have only a small effect on bringing the unemployment rate down, particularly for low-wage workers. Black voters won't turn against the Obama administration but, having led nonpartisan voter registrations a number of times in my career, I'm deeply concerned that it will be difficult if not impossible to motivate first time voters -- particularly young people in urban America -- to get registered and vote in the numbers that helped the president win his first term. And I would be hard pressed to make the case for why they should.

Unemployment rates for black men without a high school diploma have now enter territory never seen in my lifetime, over 24 percent, and that doesn't count those who have given up trying to find work. So with Wall Street coming back strong, with only a slight moderation in bonuses, a lot of hard-working people of all races and regions are going to see high rates of unemployment and lower wages for years to come and, as Judson posits, they're going to want to blame someone - some party or some group.
So we may sneer at "tea baggers," anti-immigrant zealots, and "birthers," but we better take what they represent very seriously. The country and its political parties have to be very careful not to play with the explosive mixture of unheard of levels of income inequality and significant racial and demographic shifts because these have the potential of doing what the Northwest underwear bomber never could -- seriously undermine a democracy that we thought was bullet-proof.

The Republican Party's partisan closing of ranks on health care, and its efforts to tear down any bipartisan effort, even if it threatens the county's well being, seems to be matched by Democrats' seemingly tone deaf response to the general suffering going on among the working poor of all races. Perhaps we should add rapid job creation and WPA programs to our list of what we should be looking for, along with long waits for body scans at the airport.