

THE YEAR IN REVIEW

WHAT 2011 MEANT FOR THE 99%



It's been a politically and socially tumultuous year, with far too many setbacks and too few victories on the key challenges facing Americans today. Our Year in Review captures some of those ups and downs, with a focus on the events that defined the boundaries of our political debate and the actions that most impacted the lives of the 99%.

THE 99% MOVEMENT

We owe much to the Occupy movement. In less than a month, protestors across the country (and the world) ignited a conversation about the destructive nature of inequality in our lives and in our democracy. With a motto that created a big tent—[We Are The 99%](#)—the leaderless movement seemed to [resonate](#) with Americans from the beginning. The traction of the protests compelled Rep. Paul Ryan (R-WI) to give a [speech](#) on inequality, though he defended inequality as the positive outcome of social mobility, conveniently omitting the fact that mobility in America has declined and is now lower here than in class-defined Europe. The Occupy movement can also take credit for moving President Obama to be sharper in his critique of failed conservative policies and bolder in his support for progressive taxation and public investment-driven job creation. The movement also taught Americans something else—as millions watched the [shocking](#) assaults of non-violent protestors by the police, the movement helped lift the veil on the militarized police tactics that communities of color have been complaining about for decades. The big question on everyone's mind is where the movement goes now that its encampment strategy is all but defeated? Will they embrace an electoral strategy? Will other movements carry the momentum forward? The answers to those questions will be forthcoming, but there's no indication this movement is over. As their signs express, [You Can't Evict An Idea](#).

AUSTERITY MANIA

Where is John Maynard Keynes when you need him? While mainstream economists have long agreed that government spending is crucial for stimulating demand amid economic downturns, many elected leaders have pushed for the exact opposite approach—trying to slash government spending just when we need it most. Austerity mania got going back in 2010, fueled by Tea Party demands to downsize government, but it reached new heights this year. In April, House Budget Chairman Paul Ryan released his [blueprint](#) for draconian budget cuts and, in August, Congressional Republicans nearly precipitated a U.S. government default to force over \$2 trillion in budget cuts. Meanwhile, radical right-wing governors like Scott Walker of Wisconsin and John Kasich of Ohio have rammed through deep budget cuts at the state level. Thousands of public sectors workers have been fired every week throughout 2011. Many of those fired have worked in our nation's public schools. The result of all these cuts, say economists, will be a slower recovery—which will mean continued shortfalls of tax revenue, ongoing large outlays for safety net programs, and higher budget deficits over the long term. That's exactly the kind of short-sighted austerity that Keynes warned about.

CONSUMERS GET A NEW WATCHDOG FOR THEIR WALLETS

The [Consumer Financial Protection Bureau](#) officially opened for business in July 2011. The CFPB was the brainchild of Elizabeth Warren, who was appointed by the President to get the agency up and running. After the financial collapse wiped out nearly [\\$11 trillion](#) of household wealth, much of it tangled up in sub-prime mortgages, the creation of the Bureau was included in the Dodd-Frank financial reform bill. The CFPB protects consumers from confusing, and often, predatory financial practices, through rule-making, enforcement and research. Republicans vehemently oppose the Bureau and are seeking to weaken its authority. They've pledged to filibuster any nominated director until the teeth are knocked out of the agency's power, and so far, have made good on their promise. President Obama nominated [Richard Cordray](#) in July to become the CFPB's first director, but his nomination was [blocked](#) by the Senate in December by a vote of 53-45. In the meantime, with day-to-day operations overseen by [Raj Date](#), the CFPB has begun its important work—which includes such socialistic activities as protecting seniors and military personnel from financial abuses.

NEW EVIDENCE OF POVERTY AMID RICHES

Thanks to a [request](#) by *The New York Times*, the Census Bureau released data indicating that 1 out of 3 Americans are either officially poor or darn near it. It turns out that over 51 million people fall in the category of near poor, meaning their income puts them between the official poverty line and 50 percent above it—with adjustments in cost of living differences included. These are the people who struggle every month to make ends meet—stretching their paychecks in an endless cycle of trade-offs between choices like buying food or filling a prescription. Meanwhile, as a graph on the [Mother Jones website](#) illustrates, Wall Street profits between 2007 and 2009 climbed 720 percent, unemployment rose 102 percent, and home equity declined 35 percent. The foreclosure crisis continues unabated with 2.7 million households who've already lost their homes and an additional 3.6 million perilously close to losing their homes as [reported](#) by the Center for Responsible Lending. Will 2012 be the year Congress finally takes decisive action to put Americans back to work and keep families in their homes? (Hint: that's a rhetorical question).

THE ASSAULT ON VOTING RIGHTS

Laws to restrict or curtail voting spread like wildfire across the country in 2011 with [19 new state](#) laws now in effect. These laws run the gamut from requiring a photo identification to shortening or eliminating early voting. But no matter the form they take, the goal and the impact is the same: erecting barriers that will make it harder for young people, seniors, lower-income voters, and voters of color to cast a ballot in the 2012 election—with [estimates](#) that more than 5 million people could be negatively impacted by the laws. [Nine states](#) now will require a government issued photo ID to vote in 2012—Alabama, Georgia, Indiana, Kansas, Mississippi, South Carolina, Tennessee, Texas, and Wisconsin. It could have been worse—as 34 states introduced legislation that would require voters to show photo identification. Some perspective is helpful here: before the 2011 legislative session, only Georgia and Indiana had ever imposed strict photo ID requirements. Alabama, Kansas and Tennessee went even further by signing laws that make registering to vote particularly onerous by requiring individuals to present proof of citizenship, such as a birth certificate. Five states: Florida, Georgia, Ohio, Tennessee, and West Virginia—enacted bills reducing early voting. Two states—Florida and Iowa—reversed their rules that had allowed citizens with past felony convictions to restore their right to vote. There’s no reason to think the assault will wane as state legislatures head back into session in 2012. The good news? First, citizens are fighting back: in November 2011, voters in Maine loudly rebuked their legislature for attempting to repeal Maine’s 40-year-old Election Day Registration law, [voting 60-40 to restore EDR](#). In Ohio, [advocates collected over 300,000 signatures](#) to suspend the legislature’s cutbacks on early voting and place the question on the ballot for 2012. Second, Attorney General Eric Holder recently [gave some hope](#) in a recent speech that the Department of Justice will use its authority under Section 5 of the Voting Rights Act to block some of these vote suppression laws.

WORKER WOES

This was the year where it became crystal clear that millions of jobs lost in the Great Recession were not coming back any time soon. As 2011 ended, the unemployment rate had been over 8.5 percent for three years—the worst jobs crisis since the 1930s. Official numbers don’t capture the real dimensions of this crisis; millions of Americans are also [underemployed](#) or have just stopped looking for work. Economists warn that many of these job losses are structural, with corporations exploiting the downturn to eliminate positions, replace people with technology, and move more of their operations overseas. Still, despite overwhelming evidence that the jobless are victims of forces beyond their control, 2011 witnessed an unprecedented attack on unemployment benefits, with several states moving to [cut such benefits](#). The year also saw a ferocious attack on public sector unions, with epic battles in Ohio and Wisconsin over collective bargaining rights.

THE NEW WAR ON IMMIGRANTS

This past year was not a good time to be an immigrant in America, a country founded and built by immigrants. The wave of anti-immigrant laws, which started in Arizona in 2010, grew stronger this year—with alarming implications for our democracy. In June 2011, Alabama enacted the harshest law yet, HB 56, a measure that denies bail to any undocumented immigrant arrested for any offense; requires police to check immigration status during traffic stops; and denies key legal protections to immigrants who have been exploited by employers

or landlords. Human Rights Watch has [criticized the law](#) as denying “fundamental rights” and thousands of immigrants have fled Alabama in fear since the law was passed. Other states, including Georgia, have also passed anti-immigrants laws this year. Beyond the challenges to civil liberties, critics have pointed out the substantial economic costs of these laws—which have resulted in lost tax revenues and serious labor shortages. That’s not smart policy in the middle of a fragile recovery.

STUDENT LOAN DEBT SURPASSES CREDIT CARD DEBT

As Americans cut back their credit card spending and paid down outstanding balances, American students were racking up record levels of student loan debt to pay for massive hikes in college tuition. The two trends combined to result in a major landmark in 2011: for the first time in the United States the amount of all student loan debt exceeded the amount of credit card debt owed. Today, [two out of three students](#) graduate with student debt, up from one out of three in 1992. The average student graduates with over \$24,000 in student loan debt, and African American students are more likely to borrow and to borrow more to pay for their education. As of this month, [student debt clock](#) showed \$965 billion in student loan debt—which is likely to hit one trillion dollars before the champagne corks pop on December 31. Happy Debt-for-Diploma Year Everyone!

NEW PROTECTIONS FOR THE YOUNG AND UNINSURED

Thanks to one of the major provisions of the Affordable Health Care Act, there were [2.5 million](#) 18-25 year olds who received health insurance by being able to stay on their parent’s plans until age 26. Without the so-called dependent provision in the health care reform bill, its likely most of these recent high school or college graduates would have joined the ranks of the uninsured. It’s progress, for sure, but there are still 8 million uninsured 18-25 year olds—either because their parents don’t have private health coverage, their employer doesn’t offer it or they can’t afford it. The [ranks](#) of the uninsured among older 20-somethings swelled by 1.5 million since the start of the Great Recession. Young people who can’t continue on their parent’s insurance will get help from the new law in 2014, when many will become eligible for Medicaid and subsidies to help buy private insurance will kick in.