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We're ignoring an American apocalypse: While everyone obsesses about Trump, the middle class is still rapidly dying

ROBERT HENNELLY

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As the actual voting starts for 2016 it is critical we not just fixate on the horse race, but also on just how much socio-economic deterioration has occurred over these last eight years throughout our country.

To name just one example: Democrats can't ignore the failure of President Obama's foreclosure prevention program to stop the accelerating decline of America's cities and the growth in poverty just because he is a member of their party. They continue to ignore the collateral damage done to the victims of Wall Street's uncharged crimes at the nation's peril.

As it is, the establishment's inability to openly discuss the impoverishment of so much of America since the Great Recession has led to a rising anger in our nation that well-heeled pundits and politicians are at a loss to grasp. Everybody they know is doing fine. These privileged elites are just so isolated from the tens of millions of Americans of all races who are finding it increasingly harder to make ends meet.

Flint, Michigan's water crisis is just the tip of the iceberg.

The corporate media continues to ignore this reality because it does not fit into their narrative of the ruling elite's "American recovery," which takes their pals at the banks off the hook for the damage they have done because "it is all better now."

Network reporters will go to Ferguson, Missouri, and Baltimore, narrowly reporting on the crisis of police-community relations in those places. They will go to Flint and zoom in on the lead-in-the-water issue. Yet, they will ignore the through-line that connects all of those communities to thousands of similarly situated neighborhoods that are still plagued by foreclosure, abandonment and neglect, years into the so-called recovery

Reporting on this growing impoverishment of the U.S. population would expose the moral illegitimacy of our form of winner-take-all capitalism itself and the political class that feeds off of it. The sponsors of our major corporate media will have none of that.

HAMP to the rescue?

Voters need to know that the HAMP (Home Affordable Modification Program) foreclosure prevention program funded under TARP (the Toxic Asset Relief Program), is a cruel and costly hoax. This program is a multibillion-dollar giveaway to the very same banks and investor class whose greed destroyed the household wealth of tens of millions of Americans, consigning them to a life of poverty and despair.

In 2013, Christy Goldsmith Romero, special inspector general for TARP, reported that homeowners were defaulting on their HAMP-modified loans at an "alarming rate." In the IG's most recent quarterly report to Congress in September 2015, the rate of default on these reset mortgages increased greatly over time.

For borrowers who sought mortgage relief under HAMP when the program was first started in 2009, the redefault rate is nearly 53 percent.

"The longer a homeowner remains in HAMP, the more likely he or she is to redefault out of the program," Romero's office concluded. That is a troubling track record for an initiative that has already fallen well shy of the Obama White House's pledge in 2009 to help upward of 9 million Americans stay in their homes.

From 2009 through 2015, 2.2 million households signed up for a trial modification, the first step to getting a permanent reset, but close to 786,000 canceled. Of the remaining 1.4 million granted HAMP modifications through Treasury, some 467,000 ultimately redefaulted.

These redefaults cost taxpayers $1.8 billion in TARP funds that were paid as incentives to the banks and mortgage servicers to participate in the program.

As of September 2015 the U.S. Treasury set aside $9.6 billion for the HAMP program that funded 761,500 homeowner mortgage modifications. $7.7 billion of that was reserved to be paid to investors, banks and mortgage servicers as incentives to participate in the program.

This country is rigged in a hard-wired kind of way to always benefit big money, and the HAMP program is emblematic of that. All the hype aside, the biggest beneficiaries of a program touted to help victims of the bank turn out to be none other than the banks themselves — JPMorgan Chase, Bank of America, Citi Bank, Wells Fargo, et al.

In most states, 35 percent of homeowners could not keep the terms of their modification, setting themselves up for another default or foreclosure. In some states the default rates have run as high as 44 percent.

According to thousands of calls into the SIGTARP hotline, problems with the banks and mortgage-servicing companies that handle the mortgage modifications were primary factors leading to the default rate. Complaints ranged from lost paperwork to clerical errors. Perhaps, most disturbing, according to SIGTARP, servicers woul often continue to pursue foreclosure, even while the homeowner was meeting their commitments in the HAMP program.

"Nobody wants to deal with the reality that these mortgage modifications were not affordable long term," said Kathleen Engel, a research professor at Suffolk University Law School in Boston and author of "The Subprime Virus: Reckless Credit, Regulatory Failure and Next Steps." Engel says the mortgage modifications were all based on the assumption that property values would rise. In reality, the federal government's lack of a real response compounded the damage already done to these neighborhoods and values just continued to decline.

Wake up, America. The Wall Street rip-off continues to this day. And any candidate, of whichever party, who takes Wall Street's money is at this point a co-conspirator, sitting in the getawa car with the engine running.

What recovery?

President Obama and Congress just let these foreclosure hotspots bleed out. Neoliberals and Republicans consoled themselves with the fervent belief these people should never have owned a

To this day, there are millions of Americans just barely hanging on to their homes, because the value of their mortgage can be as much as 50 percent higher than the actual value of the property. This reality was forcefully documented in "Underwater America," a report issued by the Haas Institute at the University of California, Berkeley, that used a ZIP code-based analysis to identify hundreds of communities where most of the existing mortgages were for substantially more money than the homes were worth.

"Based on more recent data we have, Flint is one of the hardest-hit cities when it comes to the issue of underwater mortgages," says John Powell, executive director of the Haas Institute. "We bailed out the banks, even the automakers but we let cities like Detroit go bankrupt."

According to "Underwater America," at least 30 percent of all mortgaged homes in some 57 cities are still underwater. Nearly one in 10 Americans (28.7 million) live in the 100 hardest-hit cities, representing 27 states. More than a third of those cities have median household incomes below $40,000. There are 151 ZIP codes across the country where at least 50 percent of all mortgaged homes are still underwater. In these areas, this legacy problem is widespread.

And there is a major racial justice element to this enduring crisis that can't be ignored. According to the researchers at the Haas Institute,

> "In 71 of the 100 hardest-hit cities, African Americans and Latinos account for at least 40% of the population. In 146 of the 395 hardest-hit ZIP codes, African Americans and Latinos account for at least 75% of the population. In 64% of the 395 hardest-hit ZIP codes, African Americans and Latinos accounted for at least half of the population."

You would not know it from the presidential campaign so far, but what all these data points make clear is that the United States is in a full-blown urban crisis, accompanied by a massive destruction o African-American and Latino household wealth on an unprecedented scale.

"Tracing the same households over 25 years, the total wealth gap between white and African-American families nearly tripled, increasing from $85,000 in 1984 to $236,500 in 2009," according to an analysis byBrandeis University's Institute on Assets and Social Policy.

The lopsided nature of those numbers can be traced right back to Wall Street's mortgage meltdown and its disproportionate impact on communities of color, which has only become more pronounced over time.

"Overall, half the collective wealth of Africa-American families was stripped away during the Great Recession due to the dominant role of home equity in their wealth portfolio and the prevalence of predatory high risk loans in communities of color. The Latino community lost an astounding 67 percent of its total wealth during the housing collapse," concludes the authors of the Brandeis University study.

Irrespective of race, the loss of a home to foreclosure sets into motion a slide into poverty that can take generations to reverse. This crisis needed immediate attention, but it never got it and the policy remedies that were pursued made things worse for millions of Americans.

One thing that the national government has accomplished, though, with its cuts to food stamps and long-term unemployment benefits — along with its farcical foreclosure prevention scheme — has been to increase the ranks of America's poor and impoverished.

Consider that in 2001 there were 22.7 million white Americans who lived below poverty, and that today there are 31 million. Back in 2001, 15.7 million white families were living in poverty. Today ther are 21.1 million white families in that category. According to the U.S. Census in 1972 there were just 2.2 million Hispanic families consigned to poverty. By 2014 that number was 10.8 million.

All races combined, there are now 46.6 million Americans in poverty, up from 32.9 million in 2001. Bu the crowning achievement of our nation, post-Great Recession, has been the growth in American children consigned to living near, or in, poverty.

In a UNICEF ranking of the world's 35 most economically advanced countries the U.S. has close to one in four of its children living in relative poverty, defined as being in a household with an income that's less than 50 percent of the national median income. That ranks us next to the bottom in this UNICEF analysis, between Latvia and Romania.

Forget the hype and fanfare over the presidential poll numbers. These are the numbers that matter.