

Our economic system must be adjusted for the times

GUEST COLUMN

BY CYLVIA HAYES

Our economic system based on extractive capitalism and rigged by and for the corporatocracy is brutal. In the United States unless you are born into wealth it is extremely difficult to climb into a higher economic class. Economic mobility is determined more by birth-luck than merit and hard work. Estimates suggest 57-67 percent of Americans live paycheck to paycheck with little or no savings.

The official 2024 poverty rate was listed as 10.6%. That number is ridiculous. The poverty rate is set by the federal government to determine eligibility for various programs. The current official poverty income line is \$15,650 per year for a single person and \$32,150 for a family of four. Can anybody really make it on \$15,651 per year? Can a family of four do so on \$32,151?

How much it costs to make ends meet varies by state, but estimates suggest the average for a family of four in 2022 was approximately \$104,000 and, depending upon location, \$40,415 to \$62,233 for a single childless person.

On top of the plague of low wage jobs, the U.S. is the only industrialized nation without a universal health care system. A health crisis and medical debt is now the leading cause of bankruptcy. Uninsured/underinsured people often put off treatment until the problem becomes so bad they wind up in the emergency room, which is the costliest form of health care. This is only getting worse as republicans remove subsidies for coverage under the Affordable Care Act.

On the other end of the spectrum, the current form of capitalism has led to a



Volunteers at the San Antonio Food Bank load bags of potatoes for a food distribution for SNAP recipients and other households affected by the federal shutdown, on Nov. 6. (AP Photo/Eric Gay)

billionaire class that consumes resources at a mind-blowing rate and has taken control of our society through ownership of the internet, social media, corporate media, and elected officials. The biggest chunk of campaign money for congressional races for both democrats and republicans is now individual large donors.

In addition to wielding enormous power over our political and communications systems the super-rich are burning through natural resources and spewing climate change emissions thousands of times faster than the rest of us.

Our current capitalist system is structured so that millions of us are over-worked and stressed about how to pay for rent or groceries while a tiny, privileged few own private jets, build rockets for amusement and buy elections. Meanwhile our planet is being stripped of forests, clean water and wildlife in the name of economic growth.

During the recent record-breaking government shutdown millions of federal employees went without paychecks and funds were frozen for the Supplemental Nutrition Assistance Program (SNAP). Approximately 42 million Americans rely on SNAP to get enough to eat. Many of these people work low-income jobs. Studies show that 89% of SNAP households with at

least one non-disabled adult were in the workforce. Approximately 70% of those worked full-time.

The country was fixated on how to end the budget stand-off and get SNAP benefits moving again, but failed to ask the deeper question: Why do we allow corporations to pay such low wages that even full-time employees need food stamps? SNAP is often framed as a hand-out to the lazy and undeserving, but in truth SNAP is corporate welfare.

For 40 years I've been promoting the idea of evolving past a system that chews up the planet and keeps people trapped in poverty. Countless times I've been criticized, even belittled, for being anti-capitalism or a socialist. In truth, I'm neither. I am opposed to the current version of capitalism, and I do think socialism has some things to offer, but we have not yet created an economic system suited for our times. We need a system based on environmental restoration rather than extraction and consumption, and one that provides genuine opportunity for all people to have basic financial security. The economy is a set of systems designed by humans; If we want a functional, fairer society we will need to re-design.

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