

Are You Poor?

The folks are getting hosed. According to the American Debt Advisor outfit, 80% of us now owe money to creditors. If you exclude mortgages and car payments, 50% of us are in debt. And that's why the economy is having so much trouble. Consumers have to be very careful what they buy, or they risk sinking into insolvency.

Some pundits place the blame on unemployment, currently just over 9%. But that's not what is driving debt. Taxation is.

The mean salary in America is just about \$50,000. But if you live in Los Angeles, Boston, San Francisco, or New York, earning \$50k means you're poor. The cost of living in most urban areas is now so high that a \$250,000 salary is middle income. President Obama might not understand this, but we the people do.

Let's take the situation in New York State. New Yorkers like me pay federal income tax, state income tax, New York City income tax, and property taxes if we own a home. In fact, per capita, property taxes in the Empire State are about \$1,900 a year. Sales taxes, per capita, are another \$1,700 per year.

Gasoline tax in New York: 45 cents a gallon. Cell phone tax and fees? 23% added to your monthly bill. There are also tolls, taxes on your driver's license, cigarettes, and alcohol. The hits just keep on coming.

The only relief for New Yorkers is knowing the tax situation is worse in New Jersey.

All over the USA, working folks are bleeding take-home pay. President Obama says he wants to extend the payroll tax cut, and that's fine. But that's a proverbial drop of water into a bottomless well.

Folks just don't have much money to spend. So, how on earth is the economy going to improve? Who's going to buy stuff? With so much money being taken from everyday Americans by their elected representatives in Washington and in the state capitals, there's simply not enough cash being spent in the marketplace to return the nation to economic prosperity.

Recently, I saw a bumper sticker that read, "Taxes buy civilization. Progressive values are American values." Well, balderdash. Taxes are strangling working Americans. They are creating a society not of self-reliance (almost unaffordable), but of dependence on institutions we can't control—banks, credit card companies, government-generated hand-outs. Now the feds have seized control of the health industry. That will mean even more taxation down the road.

President Obama made a bet that his big government vision would create jobs and prosperity. It has not worked; it never works. Ask Cubans and Venezuelans. Americans now find themselves struggling to pay the bills and utterly dependent on who is paying them a salary.

Upward mobility? Please. Most Americans are just trying to survive. This is not what the pursuit of happiness is all about.