

# A Great Revolt?

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Can this weird season in our nation's politics last past the beginning of voting in the Iowa caucuses this week? David Frum, former speechwriter for President George W. Bush, produced a provocative cover story about the topic in the current issue of *The Atlantic* magazine. Frum claims the people saying, "That's my guy" to Donald Trump are spearheading a "Great Republican Revolt" that has "upended American politics in ways that may reverberate for a long time."

According to Frum, "the 'angriest and most pessimistic people in America' power the 'Great Republican Revolt.'" They are "the people we used to call Middle Americans" who, while watching more affluent citizens soar, get punished in bad economic times and do not see a fair share of the benefits in good economic times.

Frum's thesis is fascinating because it hits on unfolding patterns in our local community. We have touched on these repeatedly in Pathways over the past year. We illustrated increasing levels of income segregation and inequality between San Angelo neighborhoods in the past May and June issues, for instance, while taking note of the September release of data from the Federal Bureau of Economic Analysis showing San Angelo in second place on economic growth among the nation's metropolitan areas during 2014.

Like other communities across the nation, the benefits of the local economic boom are not reaching all parts of the community. Our most recent sign of this unpleasant condition comes from the newest version of the San Angelo Social Health Index.

ASU's Community Development Initiatives follows more than 100 statistics related to the local community each year. We compile the San Angelo Social Health Index using 21 of these indicators. The purpose is to track and assess changes in the community's quality of life over the years. We assign an annual score on a 100-point scale to the local quality of life each year. The scoring method balances two different factors. First, it weighs the contrast between the 21 local statistics to the same indicators for the state overall. Then, we factor in comparison of the current data to previous years.

Scores produced by this method are highest when the "social health" of the community is better than the scores of most other communities across Texas, and when the current quality of life is better than most prior years. Based on the most recently available statistics, San Angelo's average score for the first 15 years of the century is 52 points on the 100-point scale. The most recent score matches the average at 52.

The infant mortality rate, which was 71 percent lower in 2013 than in the year 2000, is one of the most positive trends affecting the quality of life in San Angelo. The decline in the crime rate from a high of 71 per 1,000 residents in 2003 to 41 per 1,000 in 2014 is another very positive result.

The community sighed relief when the annual unemployment rate dropped from its 21st century high of 6.6 percent in 2010 to 4.0 percent in 2014. It is noteworthy, however, that the most recent monthly rate in November of 2015 crept back up to 4.3 percent. With the oil boom now in an

edgy mode, the community has yet to return to its lowest 21st century annual rate of 3.7 percent during 2007.

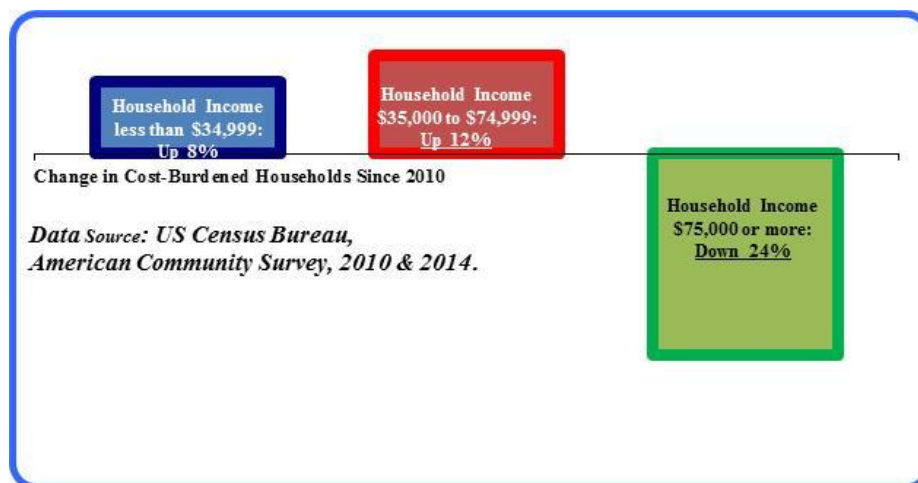
This kind of skittish economic performance is exactly what motivates the annoying feeling that life in this country used to be better for ordinary people that Frum believes is driving the “Great Republican Revolt.” After all, the drop in unemployment appears to have stalled just as economic growth reached record proportions as noted previously. The average personal income soared to record levels at the same time in 2014.

People hear about how the economy is performing well, but many feel it is not that good for themselves and other people they know. Information on the burden that housing demands from people’s income is perhaps the part of the San Angelo Social Health Index that best reveals what ordinary folks are more likely to experience.

The US Department of Housing and Urban Development (HUD) considers households cost-burdened if housing costs total 30 percent or more of the income generated by all household members. Coming out of the recession driven by a collapse of housing markets in 2008, 33.1 percent of San Angelo households remained cost-burdened in 2010. As the economy boomed, that rate reduced only slightly to 31.2 percent by 2014. Behind the general statistics, households and families had very different experiences based on income levels.

The top quarter of households had incomes exceeding \$75,000 in 2014. Only 1.6 percent of these were cost-burdened, but that rate was down from 2.1 percent in 2010. Only a small quantity of prosperous families experience cost-burdens by the HUD definition. However, there was a substantial proportionate decline in their numbers between 2010 and 2014; the difference calculates to a 24 percent reduction from the 2010 level.

### Change in Cost-Burdened Households Since 2010



The story is more ominous for households with fewer income resources. To begin, it should not be a source of pride to a community to know that nearly four of every ten households lived on less than \$35,000 in 2014 according to Census Bureau estimates. It is downright shocking that the number of cost-burdened households in this group increased from 61.4 percent in 2010 to 66.6 percent in 2014. That computes to an eight percent increase in housing insecurity over the 2010 level.

Of course, Frum focuses on those in the middle to find the fuel for the “Great Republican Revolt.” In San Angelo, these are households with incomes ranging from \$35,000 to \$74,999. The range is vast, but the number in the group is not. Consistent with Frum’s thesis that the middle is dwindling, a little over a third of local households in 2014 were in this range.

The most important thing about the dwindling middle, however, is their recent experience with housing insecurity. It is more similar to those with lower rather than higher household incomes. About 17 percent of households in the middle were cost-burdened in 2014 by HUD’s definition. This was up from 15 percent back in 2010 before the local economic boom.

The last time people treaded water and fell behind in large numbers, the nation’s politics produced the election of Franklin Delano Roosevelt. “I see one-third of a nation ill-housed, ill-clad, ill-nourished,” FDR observed in 1937 at his second inaugural nearly nine years after the stock market crash.

His response to our longest lingering depression asserted, “The test of our progress is not whether we add more to the abundance of those who have much; it is whether we provide enough for those who have too little.”

That was a lesson for our time.