

America's ruling class is much bigger than the '1 percent'

By Randal O'Toole

Despite all the talk about the 1 percent vs. the 99 percent, America's real cultural and economic divide is between the middle class — college-educated people with knowledge-based jobs — and the working class — less educated people with physical and repetitive jobs. This little-discussed divide shapes much of our political and social debate.

Members of the middle class preach tolerance and inclusion, yet they regard working-class tastes, values, and politics with contempt. Portlandia star Carrie Brownstein has described this as "the elitism that passes itself off as inclusiveness."

The 2010 census found that just 30 percent of working-age Americans have at least a bachelor's degree. Yet this middle-class minority writes our laws, regulations, and policies — often to the detriment of the working class.

Take, for example, the urban planning profession, a bastion of middle-class values. Planners tend to believe Americans drive too much and that too many live in single-family homes, so they relentlessly encourage cities and states to adopt anti-car and anti-single-family-housing policies. They persuaded Washington's state legislature, for example, to mandate a 50 percent reduction in per-capita driving by 2050; Oregon planners have aimed to reduce single-family housing from 65 percent of Portland area households to 41 percent.

To achieve such goals, planners use coercive policies such as urban growth boundaries, minimum-density zoning, and subsidies for high-density housing. Meanwhile, they divert highway tolls to streetcars and other absurd mass-transit projects, as well as bike paths and other non-highway uses. These policies create housing shortages and traffic congestion.

The main victims are rural and working-class families. Knowledge-based workers can more easily telecommute, work flexible hours, or

relocate to avoid congestion. Their higher salaries also allow them to overcome more barriers to home ownership.

This social divide, and the related debates over housing and mobility, have been part of American life for more than a century. In the late 19th century, working-class families were actually more likely to own homes than middle-class families. In the early 20th century, however, the middle class developed zoning and other tools to drive up the cost of home ownership and keep working-class families out of their neighborhoods.

Despite this, mass-produced automobiles boosted working-class pay and enabled working-class families to move to the outskirts of cities, where land was cheap and unregulated. By the 1960s, working-class pay and home ownership were up to roughly three-fourths that of middle-class families. The middle class fought back with the war on "sprawl," a crisis fabricated to justify land-use regulations that would make home ownership affordable only to the elite.

While only 1 percent of Americans can be in the 1 percent, the membership of this echelon is fluid. Forbes' 2012 list of the 400 richest Americans has few in common with its 1982 list. In comparison, the barriers between the working and middle classes are fairly rigid. Though Americans like to think this is a land of opportunity, few children growing up in working-class families graduate from college, and we haven't had a president from a truly working-class family since James Garfield. Impediments to mobility and home ownership reinforce the barriers to working-class success.

While members of the working class seem more attracted to the tea-party groups fighting such laws and regulations, the Occupy Wall Street movement appears to be dominated by the middle class. Instead of worrying about the 1 percent, the Occupiers would do well to think about the oligarchy of the middle class that they themselves are perpetuating.

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