
II. The U.S. Economy Under Obama

An Oakland, California Photo Essay: Obama's America

by Robert Ingraham¹

Oct. 28—President Barack Obama has, on more than one occasion, likened his accomplishments in the field of economic policy to Franklin Roosevelt, and, even more frequently, has crowed about the “unprecedented” success of his various economic and banking initiatives.

Much of what Obama points to, in declaring his “accomplishments,” rests in a nationwide unemployment rate of five percent, a banking system which has held together since the 2008 crisis, and rapid growth in the areas of the “green economy,” computer and internet related enterprises, and other loosely related “information” services.

The unemployment figures, of course, are a complete fraud, as we have now reached a point where more than 100 million Americans are now officially declared by the U.S. government to be “not in the labor force,” i.e., not counted at all in unemployment statistics. Similarly, claims of a “financial recovery” are absurd. In the six years since the passage of the Obama-supported Dodd-Frank legislation, the nation’s banking institutions have all plunged head-long toward insolvency, with derivative and other speculative debts skyrocketing.

Perhaps it is the area of the “green” and “service” economy which best represents Obama’s true legacy to the American People. And this is where the City of Oakland comes in.

Those readers of an older age might equate Oakland with the 1960s version of Huey Newton and the Black Panther Party, or, perhaps it is the 1990s version of

Oakland as the crack cocaine capital of America which might come to mind.

It might come as a huge shock to some readers to know that Oakland—yes, the Oakland of 2016—is now widely touted as a premier success story of the “new” economy of Barack Obama.

Since 2008, Oakland has emerged as a national hub for the new information economy, with dozens of what are euphemistically called “high-tech” firms either relocating there or starting up there. Ask.com, Pandora Media, BrightSource Energy, Sungevity, iParadigms, First Solar, Lucid Design Group and Livescribe are among those companies that have large operations in Oakland, all of which have headquarters in the city except for First Solar. The glorified gypsy cab company known as Uber is now building its international headquarters on Broadway, in the center of the city. The website *Wealth Management* now ranks Oakland as fifth in the country on a list of top cities for tech engineers.

The cultural mavens of America have now declared Oakland to be a “Destination City.” The *New York Times* ranked Oakland as Number Five in its list of “45 Places To Go.” The real estate website *Estatelyst* has declared Oakland to be a major culinary capital, and others have lauded the city’s new “art scene” and nightlife. Everywhere you turn, Oakland is being lauded.

Tens of thousands of, mostly white, young professionals have moved to Oakland, most with their dogs. Bicycle lanes are being painted everywhere. Bistros and beer-houses are springing up. Street festivals in gentrified neighborhoods are becoming a regular occurrence. It seems that Oakland has become the paradise of Obama’s new economy.

Or has it?

1. All photographs in this essay were taken by the author, during the month of October 2016.



Chinatown

Poverty

The median household income in Oakland is \$49,721.

According to government figures, 19.4% of Oakland residents live in poverty. However, this figure is based on an official poverty line of \$24,230 for a family of four, a ridiculously low figure, and as phony as the official unemployment rate.

The figures presented below on housing costs will demonstrate that a far higher percentage of Oaklanders live in poverty than anyone in government will admit.

Between 2008 and 2014, the median income for blacks in Oakland dropped by 17%, the median income for Asians dropped by 2%, and the median income for Hispanics dropped by 18%. Together, these three groups make up 65% of Oakland's population.

Between 2002 and 2012, the number of children and youth in Oakland has declined 16.7 percent.



Downtown

Housing & Rentals

As stated above, the median income for an Oakland household is \$49,721, but the median income for a household which rents is \$34,195.

As of September 2016, the average apartment rent within the city of Oakland, CA is \$2,760.

One bedroom apartments in Oakland rent for \$2,409 a month on average and two bedroom apartments average \$3,096.

Thus a one bedroom apartment is \$28,908 per year, or 85% or more of the yearly income of half of those who rent. A two bedroom apartment is 109% of their yearly income. Just in rent alone.

Oakland now ranks fourth, nationwide, in the monthly rental for a one-bedroom apartment, behind only San Francisco, New York and Boston.

The crisis is hitting home owners as well. In East Oakland, home ownership declined by 25 percent between 2006 and 2013. Over 11,000 homes were foreclosed.



East Oakland

Drugs

Between 2008 and 2016 annual drug overdose admissions to Oakland hospitals increased from 103 to 220, and deaths from drug overdoses increased from 19 to 43, with both categories more than doubling.

The greatest increase in heroin use has occurred in both the 18-25 and 26-35 age groups.

According to the CDC, heroin related deaths have quadrupled in the United States from 2006 to 2016.

Oakland also is home to the largest “medical” marijuana clinic in the state of California.



Fruitvale District

Black Removal

In 1980, Oakland was 49% African-American. Today the figure is 24%. Large-scale gentrification has been centered in the traditionally black neighborhoods of West Oakland, North Oakland, East Oakland and Uptown.

Since 1990, the city has lost 60,000 black residents.

Thousands of older homes and apartment buildings have been torn down, to be replaced by high-priced condominiums. The average price for a new condo in Oakland now tops \$500,000, with better units going for a million dollars or more.

The rate of home foreclosures is also far higher in East Oakland and West Oakland than in other parts of the city.



North Oakland

Those without Tents

There are 11 homeless shelters in Oakland. These contain a total of only 350 beds, and out of these, 180 beds are reserved for women with children or victims of domestic violence.

All of the homeless beds are let out, daily, on a first-come first-serve basis, and dozens are turned away every night when beds run out.

Those without tents, and unable to get into a shelter, may be found sleeping out in the open, in doorways, on sidewalks and in the parks.

At all major freeway exit ramps, as well as at many major traffic interchanges, beggars congregate to ask for money and other handouts.

Throughout any given day, dozens of people may be observed scrounging through garbage bins and recycling containers to pilfer plastic bottles and other items that may be exchanged for small amounts of money.





West Oakland

Food & Children

Oakland has one government food bank and only one daily soup kitchen, run by the St. Vincent de Paul Society.

Several, primarily African-American, churches also provide either bulk food or, in a few cases, hot meals in their community, but in almost all of these cases these church programs are severely restricted due to lack of funds.

Similarly, health care is almost non-existent for Oakland's homeless, with only a small handful of clinics available.

According to a report by the State of California, the number of homeless children has doubled in the last four years and is now at an all-time high. Some of these children are in shelters but many suffer the same fate as their parents.



In the Parks

Immigrants

For those who like to blame America's woes on "illegal immigrants," bear in mind that Oakland's population is 27% foreign-born, largely from Latin America and Asia. However, these immigrants make up a tiny, tiny percentage of Oakland's homeless.

Largely, the immigrant population is crowded, ten or more to an apartment, in substandard housing units, and they stay alive by working 60 to 100 hours a week at minimum wage, or less, employment.

Hundreds of "illegals" may be observed every day, lining San Leandro Blvd., and other locations, waiting to hire out in undocumented sub-minimum wage "day labor," with no legal protection of any kind.



Along the Waterfront

Engendering Cultural Despair

The horrendous conditions represented in these photographs and the circumstances of the affected individuals are truly a crime. But there is something else to consider.

Hundreds of thousands of Oaklanders, as well as tens of thousands who commute into the city, either drive or walk by these encampments every day. And they are dunned for money at dozens of stoplights. And they see scavengers going through trash cans. And they see people sleeping on the sidewalk.

What does this do to the souls of people? What does this do to the culture of the society? How is it possible to remain human, to remain optimistic under these circumstances? It isn't.

During the Black Death of the 14th Century, many of those who survived went mad. Today, young hipsters eat pastry and sip espresso while civilization collapses around them.



Barely Hanging On

Individuals still fortunate enough to have a “home” include those living in RVs and busses, dozens of which may be seen lining the streets in certain areas; those living in shacks, converted cargo containers and other make-shift dwellings, most without heat or plumbing and many without electricity; and those on old boats, either at dilapidated marinas, or simply tying up anywhere they can find a free mooring. There are also large heavily wooded parks in the Oakland hills, and, according to many reports, there are hundreds of people living in them.

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This, then, is America, after eight years of George Bush and eight years of Barack Obama. From Washington, D.C., there is no leadership, no inspiration, and no future. A great change is required.