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Outside the Casino

By BOB HERBERT

The hustlers and high rollers at Wall Street's gaming tables are starting to feel lucky again.

Hiring is beginning to pick up in the very sector that led the country to the edge of a depression. An [article on the front page](#) of The Times on Sunday noted that this turnaround "underscores the remarkable recovery of the biggest banks and brokerage firms since Washington rescued them in the fall of 2008, and follows the huge rebound in profits for members of the New York Stock Exchange, which totaled \$61.4 billion in 2009, the most ever."

The hustlers and high rollers are always there to skim the cream, no matter what's happening in the real world of ordinary American families.

In a column that was published a few days before Christmas 2007, the very month that the great recession began, I wrote about the record-breaking seasonal bonuses being handed out on Wall Street: an obscene \$38 billion, the highest total ever. The subprime mortgage debacle was already upon us and the economy was sinking like a stone, but the casino crowd was celebrating as never before. "Even as the Wall Streeters are high-fiving and ordering up record shipments of Champagne and caviar," I noted, "the American dream is on life support."

The fattest of the fat cats live in a perpetual heads-I-win, tails-you-lose environment. But if you step

outside the Wall Street casino, you'll notice that things aren't going too well in the rest of the country. More than 14 million Americans are out of work, and nearly half of them have been jobless for six months or longer. The unemployment rate for black Americans is 15.4 percent.

School districts across the country are taking drastic steps to cope with collapsing budgets: firing personnel, increasing class sizes, cutting kindergarten and summer-school programs and, in some cases, moving to a four-day school week. The Associated Press, in a demoralizing report, recently noted: "As the school budget crisis deepens, administrators across the nation have started to view school libraries as luxuries that can be axed rather than places where kids learn to love reading and do research."

What a country. We'll do whatever it takes to make sure the bankers keep living the high life and swilling that Champagne while at the same time we're taking books out of the hands of schoolchildren trying to get an education.

I'm no friend of the deficit hawks, but the staggering amounts of money we've been spending for the past several years have not benefited the people most in need of help and have not laid the foundation for a more secure economy going forward. We've handed over unconscionable tax breaks to the very rich (you can see the Prada paradors high-stepping along Fifth Avenue in their million-dollar flip-flops) and countless billions to the private contractors brazenly feeding off the agony of the endless wars in Afghanistan and Iraq.

(Sunday's paper also had [an article](#) about six more American G.I.'s killed in Afghanistan.)

What's needed is the same sense of urgency about helping struggling families and putting people back to work as the Bush and Obama crowds showed when the banks were about to go bust. That sense of urgency is always missing when it's ordinary people who are in trouble.

Millions of Americans are stuck in an economic depression. Several million have either lost their homes to foreclosure during the recession or are in imminent danger of losing them. The long-term

unemployed are facing painful daily choices on such basic matters as whether to buy food or refill needed prescription medication or pay electric bills to keep the lights on.

Back in February, The Times's Peter Goodman wrote about the new poor, "people long accustomed to the comforts of middle-class life who are now relying on public assistance for the first time in their lives — potentially for years to come."

There can be no real national recovery with so many millions of people in such deep economic distress. We can pretend that we're locked in some kind of crisis of confidence, that if only people felt better about themselves and the economy then they'd start spending again. This is a variation on the "mental recession" lunacy spouted by Phil Gramm, John McCain's top economic adviser during the presidential campaign.

People who are out of work and deeply in debt don't have any money to spend. The only way to get real money back into their wallets and bank accounts (and thus back into the economy) is to get them back to work.

With our help, the banks and Wall Street have done fine. Better than they had any right to expect. It's the ordinary folks outside the casino, in the real world, who are still in desperate need of help. But in a society of, by and for the rich, that help will be a long time coming.

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