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## Dobbs: Are you a casualty of the class war?

By [Lou Dobbs](#)  
CNN*Editor's note: Lou Dobbs' commentary appears every Wednesday on CNN.com*

**NEW YORK (CNN)** -- The Dow Jones Industrial Average has hit an all-time high and Wall Street firms are posting some of their best earnings ever. For the first time in our nation's history, the Forbes list of the 400 wealthiest Americans includes only billionaires. In fact, having only a billion dollars means you're not on the list. As a group, the Forbes 400 has a collective net worth of \$1.25 trillion.

So the rich are doing well. But how about the middle class?

More Americans than ever are living in poverty, living without health care, paying more for housing and for the costs of our public education. And real wages are falling.

Real median earnings of full-time working males fell nearly 2 percent last year, according to the Census Bureau, while the real wages of working women fell by 1.3 percent. Despite that, real median household income did manage to rise slightly last year, though that small gain was the first increase in household income since 1999.

So what has been keeping our middle class afloat in the face of rapidly rising costs? American families have been living on, as well as in, their homes. More than one-third of homeowners are spending more than 30 percent of their income on the cost of housing, a level that pushes the edge of affordability. Nationwide median home values from 2000-2005 jumped 32 percent, and homeowners have been pulling equity out of their houses in order to keep up with escalating tuition bills, health care costs and energy costs.

But not everyone is so lucky. The number of Americans without health coverage rose by 1.3 million last year, up to 46.6 million, according to the Census Bureau. What's worse, more than one in 10 American children are now uninsured. Fewer employers than ever are providing health care to their employees and those who are still lucky enough to receive employer-provided coverage are paying a much larger share: The Kaiser family foundation says the cost of family health insurance, in fact, is up 87 percent since 2000.

The same holds true at the pharmacy. Prices for the most popular brand-name prescription drugs this year rose substantially higher than the annual inflation rate, as has been the case every year this decade. The AARP concluded prices for the top 193 drugs climbed 6.3 percent over the last 12 months ending in June 2006, while inflation went up 3.8 percent. Generic drugs, however, rose 0.4 percent over that period of time.

The costs of higher education are also hurting middle-class families like never before. In this increasingly credentialed society, the total cost of tuition, fees, room and board at four-year public colleges and universities has ballooned 44 percent over the past four years. And the proportion of family income it takes to pay for college is growing for families everywhere. The biggest jump, according to the National Center for Higher Education, is in Ohio, where college costs now take 42 percent of the average family budget, up from 28 percent in the early 1990s.

Our dependency on foreign oil is also hamstringing working men and women. Gasoline prices are back on the decline (for now), but many Americans this summer were shelling out double what they used to pay to drive their cars. And gas prices now, while lower than at their peak in August, are still about 60 percent higher than in January 2001.

Perhaps one of our nation's leading business magazines would like to create something called a Forbes or Fortune 250 Million list, which would reveal the dire financial pressures that our public policies have produced for working men and women and their families. It's time for all of us to focus on that deep chasm we have allowed to open between the wealthiest Americans and the middle class and those who aspire to it.

Otherwise, there will be 250 million casualties in what has become nothing less than class warfare.

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