



STRUGGLING THROUGH
THE RECESSION
Letters from Vermont

" People are fighting to keep their homes from falling into foreclosure. Marriages have been postponed. Lives have been derailed."



Dear Fellow Vermonter,

Some economists and politicians are telling us that the recession is over. Well, that's not what we're hearing from families throughout Vermont.

I recently asked Vermonters to share their personal stories with me - explaining how the recession, which started more than three years ago, has impacted their lives. More than 400 people responded.

The messages that we're getting are pretty clear: people are finding it hard to get jobs or are now working for lower wages. We're hearing from older workers who have depleted their life savings and are worried about what happens to them when they retire. We're hearing from people in their 20s and 30s who are not earning enough income to pay down college debt. And we're hearing from people whose confidence in the "American Dream" is quickly eroding. We're hearing from people of all ages, all walks of life, from each corner of Vermont - and some from other states as well.

One mother, who is working two jobs and raising two children outside Burlington, Vt., wrote: "I cringe when my son's friends invite him to birthday parties, which means I have to come up with money for a gift." A woman from Windsor, Vt., who saw her business go bankrupt writes, "We do not seem to be 'recovering' at all. We just exist on the fringes of life."

These letters from Vermont are revealing. People are fighting to keep their homes from falling into foreclosure. Marriages have been postponed. Lives have been derailed. Vermonters write about raiding their retirement savings to pay college tuition, keep businesses afloat, or, to simply keep gas in the car and pay the bills.

I invite you to read these letters. While these stories are often painful and difficult to read, it's important that we appreciate and understand what some of our friends and neighbors are going through. That is why I intend to read many of these letters on the floor of the Senate and put them into the Congressional Record.

Let me conclude by thanking the many hundreds of people from Vermont and around the country who sent me their stories. I know that sharing one's difficult personal circumstances is not an easy thing to do. The simple truth, however, is that if we do not know the reality of what is going on in our state and country today, in terms of the struggles that people are facing, it will be impossible for us to develop the proper policies that enable us to move forward.

Sincerely,

A handwritten signature in cursive script that reads "Bernie".

Senator Bernie Sanders

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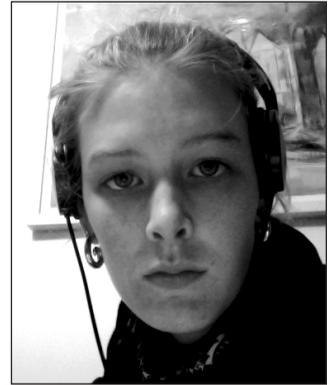
*" I cringe when my son's friends
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THE LETTERS

Letters from younger Vermonters

A 19-year-old woman from Brattleboro explains how financial pressures may force her from pursuing a career of her choice.

“The economy crashed two months before I applied to college. While taking art classes at Greenfield Community College, I haven’t had time to make money that I don’t immediately need to spend on gas or food, and my family is less financially stable than it was in January 2009 when we filled out the FAFSA for the first time. If my applications don’t sufficiently wow the admissions staff at one of several colleges this time around, my next step will likely be to abandon the idea of having a career that I enjoy, and start trying to support myself by any other means.”



Lindsey, 26, from Waterbury writes about how the recession has eliminated jobs that help recent graduates pay down student debt.

“How can we make any steps in the right direction when it’s hard enough to make ends meet as it is?”

“I have been fortunate to hold onto my job throughout the past 3 years, especially since I have about \$42,000 remaining on my school loans. Anyway, what I want to write isn’t about me - it’s about my boyfriend, a talented mechanical engineer that graduated with about \$80,000 in school loans. He was laid off in November 2009 and it has not only caused financial hardship, but has put all of our future plans on hold. He fortunately has temporary employment now after nearly a year of searching, but my qualm is

with the high cost of education and how people in their twenties are supposed to move forward with their lives with school debt lingering over them.

The message when you're 17-18 years old is 'GO TO COLLEGE' and you sign the paper because you have no idea what an interest rate REALLY means and all you can think about is updating your Facebook status to show what college you are attending.

Then 4 years later, you face the reality that there are no jobs that pay enough to allow you pay any more than your interest. It's ridiculous. Being in our mid-twenties, we have dreams of buying property IN VERMONT, building a house IN VERMONT, working IN VERMONT, having kids IN VERMONT, but how can we make any steps in the right direction when it's hard enough to make ends meet as it is?"

Kathryn, 24, of Castleton writes about being forced to move from Vermont to improve her chances of finding a job.

"I was born and raised in Castleton, Vt., and am what I would consider to be a 'proud Vermonter.' After graduating college from the Rochester Institute of Technology in Rochester, N.Y., my goal was to move back to Vermont and stay there for good. I had excellent grades and work experience, but upon moving back to Burlington, I found it impossible to find a job. I wound up taking a job not in my field, feeling like I had sold myself short. While I know that I was fortunate to have a job at all, I really wanted to work for an arts program so I left Vermont again to pursue a Masters degree in another state. I wanted to stay in Vermont, but after a year it was just too hard to find a job in my field, and felt it necessary to pursue my career in a location with more potential.



For me, the most impacting part of the recession is the job market. I hope that our government can make positive decisions to benefit the entire population of this country, and not just the top ten percent."

Matthew, 26, of Barre is the first in his family to attend college. Faced with massive student debt and limited job prospects, he is beginning to wonder if his degree is worth the debt.

"In 2002, I received a scholarship to Saint Bonaventure University, the first in my family to attend college. Upon graduation in 2006, I was admitted to the Dickinson School

of Law at Penn State University, and graduated in 2009 with \$150,000 of student debt.



In Western New York I could find nothing better than a \$10/hour position stuffing envelopes. My student debt is still staggering. I drive a 15-year-old car passed down from my grandparents which has had serious problems. I live in a small studio apartment in Barre without cable or internet, where I spend my nights studying for February's bar exam, or watching movies, or writing.

By coming out of law school at the worst possible time I now worry about when I will be able to afford a bed frame, or a better (not new) car, or a vacation. I have told my family I don't want them to visit because I am ashamed of my surroundings; I had always believed my education would allow me to enjoy a higher standard of living, to be barely treading water nearly two years after graduation is incredibly discouraging.

*" I have told my family
I don't want them
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surroundings."*

I had hoped to be able to support not just myself by this point, but be able to think about settling down and starting a family. My family always told me that an education was the ticket to success, but all my education seems to have done in this landscape is make it impossible to pull myself out of debt and begin a successful career."

A 28-year-old woman from Johnson, Vt., writes about the impact of falling wages.

"My husband and I are college-educated and work hard. I went without a raise for over 2 years, and my husband's wages were cut by 3%. We were/are fortunate to have kept our jobs, but between the wage cuts and the high cost of living, we are scraping to get by. We have cut back on everything and have now been reduced to cutting our grocery budget because it's the only item left for which we have wiggle room. Between school loans, a mortgage, utilities, car payments, and day-to-day living, we have to wait for the next paycheck to pay our bills and hope it's enough. Everything seems to go up but our wages. My company has also discontinued its 401K match for over 3 years now, and we

are unable to save any money, so I have concerns about our future.”

A 33-year-old from Tunbridge, has a good-paying job, but is frustrated about his inability to save for the future and is concerned that Social Security will be weakened before he has the opportunity to retire.

“I consider myself to be among the luckier middle class individuals, as I have a job that is stable and pays well. I make \$16 per hour, but with a large amount of overtime I am able to earn approximately \$50,000 per year. On average, I work 55 hours per week. My thankfulness for this employment is coupled with extreme frustration at my inability to save enough money for the future. The cost of everything goes up (gas and food most notably) but in the past 2 years, my pay has increased just 25 cents per hour; there’s a gap there. I noticed that Social Security taxes have gone down for individuals; that’s a dangerous step, since I have little faith that Social Security will exist when I retire (if I can ever afford to retire).”

A 36-year-old teacher from central Vermont’s Lamoille County hoped to have a long career in Vermont. Without a full-time job to pay the bills, he is struggling to pay down student loans and credit card debt. He writes about slipping from the middle class, losing hope and an “American Dream” that is eroding.

“This is not the American dream I had in mind.”

“I was a middle-class citizen of 34 before the recession with high hopes of improving myself and my standing in life through further education... That was all shattered when the recession hit.

I taught one year and then got hit by layoffs and have been out of teaching since and have only been able to land a temporary, part-time job while substitute teaching some as well. My graduate loans are deferred, as I cannot afford to pay them (have some undergrad loans left too) and I have quite a bit in credit card balances I had accumulated while in grad school trying to make ends meet... I have lost much hope that education and jobs in other areas will be coming back anytime soon or maybe back to what they were at all.

This is not the American dream I had in mind years before. I feel I will never be able to climb out of the debt hole I am in. My hope of a decent living and being able to do things I dreamed of is much diminished and almost just a bad dream...but a waking one.”

A 35-year-old man from Middlebury writes about having to move back in with his parents because he is struggling to keep up with rising gas prices and credit card bills.

“I am a 35-year-old man living paycheck to paycheck trying to make ends meet while working at a chain retailer. I feel that I am being overworked and underpaid with the company I work for even if they provide good benefits. I do invest in my own company’s stock and 401K retirement savings plan. It is a one-hour drive for me to drive to and from work every day and Big Oil is burning a hole in my pocket by jacking up the prices. I spend so much money on gas (about \$50 a pop) every week just to go to work everyday.

I am also in debt with credit card companies. It is hard for me to keep up with their due dates because I get paid every other Thursdays and usually don’t have the money yet to pay their bills on time. My sister is also living paycheck to paycheck trying to make ends meet. She is having a hard time keeping up with her mortgage and car payments. She also has a hard time paying for home heating during the winter. I do not own or rent a home. I have to live with my parents because of this economy. The price of housing is too expensive for low income people like myself to afford even if I want to buy a house. I even want to get married, but right now, I cannot afford marriage.”

“ I have to live with my parents because of this economy.”

A 38-year-old from Worcester writes about her struggles.

“This recession has cost me my company, my license due to I can’t pay child support so now I can’t even get a job. It’s almost cost me my family due to stress and no money and, needless to say, at the age of 38. I have lost everything I have ever worked for. It’s like being a kid on house arrest with no way out of debt and no hope for the future.”

Letters from middle-aged Vermonters

A woman in her mid-40s from Barre says her “biggest fear” is not being able to afford to send her son to college.

“My husband lost his job in 2002 and has been self-employed as a carpenter ever since due to the lack of jobs in central Vermont. ... He’s had no insurance and we have not saved a cent since 2002. We’ve depleted our savings account paying for property taxes. We’ve been burning wood to save money heating the house. The cost of fuel for the house and vehicles puts a huge burden on making ends meet. Being self-employed is extremely challenging due to the economic situation. My son is a sophomore in high school and our biggest fear is that we will not be able to afford to send him to college due to the fact we can’t save money living on basically one income. The middle class in my eyes no longer exists, we are poor. The rich get rich and the middle class is becoming extinct.

“The middle class, in my eyes, no longer exists. We are poor.”

Samantha, 40, of Randolph has a full-time job as a bank receptionist, but it doesn’t cover the bills. She has little money to save and feels like she has slipped from the middle class.



“I am a single mom of two children. My son is nine years old and has special needs... and my daughter is six. I work 40 hours a week as a receptionist at a bank. I get paid \$11 an hour. I cashed in an IRA last year to help pay for my home. My mortgage is \$75,000, yet between heating costs (and I get fuel assistance) property taxes, and my water bill, garbage bill, plowing bill, I am not making enough money to pay my bills. I have an associate’s degree and had the same kind of job twelve years ago on Long Island in New York. I am making less now, yet food and gas and home heating oil prices and other costs have risen drastically. I was a stay-at-home mom for six years, but went back to work after my divorce. I paid \$17,000 in taxes last year. I have very little money in savings and my car is getting older and cannot afford a car payment.”

A single mother in her late 40s in Westminster writes about struggling to free herself from debt.

“I am a single mom in Vermont, nearly 50. I patch together a full-time job making \$12/hour and various painting jobs and still can’t afford to get myself out of debt, or make necessary repairs on my home. No other jobs in sight, apply all the time to no avail. Food and gas bills go up and up, but not my income. I have no retirement at all, can’t afford to move, feeling stuck, tired and hopeless.”

Victoria, 46, of Windsor bought a Bed and Breakfast a couple of years before the recession began. She has since had to declare bankruptcy.



“Short & sweet, I literally lost every damn thing I had. My retirement funds, my savings & CD’s, my car, my home, my business (read income & livelihood), my Mother’s retirement plan, and, for a time, my self-respect. I bought a B&B in the little struggling town of Bellows Falls in 2006, thinking that a warm & comfortable Inn with a great deal of interest & participation in the local community would be a joy to own & run. ... I had to declare bankruptcy & lost the buildings & land for about a fifth of what I’d paid. ... I now live in a three-room

apartment & am back at retail in an assistant manager’s spot, which pays a whopping 12 bucks an hour. ... I live with less means now than I did fresh out of college, and I cannot find a company willing to pay me a living wage so I can actually save money to retire when I am, say 75 or so. Jobs are scarce, and young inexperienced people will work, at least for a while, at less pay.

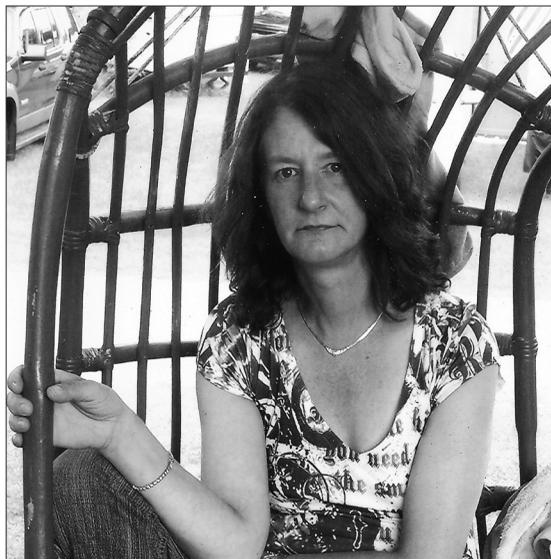
We do not seem to be “recovering” at all. We just exist on the fringes of life. I know I am better off than a lot of my neighbors and friends, but this is very hard to face alone. Hell, it is hard to face with friends around.”

*“ Short & sweet, I literally
lost every damn thing I had.”*

Sue, 51, from West Berlin has been jobless since April and is facing foreclosure.

“Dear Mr. Sanders,

Don't really know what to say. I could cry. My significant other was out of work for a year, now he works in another state. I've been out of work since April. Our mortgage company wants the house because we can't make the payments. I can't find a job to save my soul that will pay enough to make a difference. ... How bad does it have to get! My mother went through the Great Depression and here we go again. I figure that I'm going to lose everything SOON!!!! I'm a well educated person who can't see through the fog.”



A Vermonter in his mid-50s in Orange County points to global free trade pacts as the reason why he has been jobless three times in the last decade. He landed a new job, but it pays substantially less and he and wife can't save for retirement.

“How do I begin? Well, after being unemployed three times since 1999 due to the global trade agreements, I now find myself managing a hazardous waste transfer facility that pays about 25% less than I was making in 1999. My wife's children have moved back in, unemployed. And we are saving very little for retirement. If things don't improve soon, we will likely have to work until we die. We consider ourselves lucky in that we are employed. Our children's friends tend to show up around meal time. They are skinny. We feed them. This is no recession, it's a modern day depression.”

“ If things don't improve soon, we will likely have to work until we die...”

A man in his late 50s in Burlington writes about his experiences trying to find a job in Vermont after being laid off in fall of 2009.

“I was laid off from a very large company in November 2009 because they were downsizing. I am in the Information Technology field. I am also almost 60 years old. Since that time I have not seen very many IT job openings. When a job does open, companies have told me that they receive over 150 applications for that one job from within Vermont and from out of state. People are taking jobs that are not in their field or that pay is less than the industry average because they cannot find a decent-paying job. I see that more in Vermont than most other states. I am a natural born Vermonter and I may have to move to find a decent job. I am finding that employers in Vermont do not want to hire older workers, they can get younger, inexperienced workers for much less wages. As you know, most people cannot retire at 62 or even 65 because Social Security does not pay enough. And with the 401k plans, people are losing money because of the stock market. We lose no matter what. The middle class get poorer and the rich get richer. The Great American Dream, yea right.”

A 50-year-old woman from Chittenden County expresses her concerns about the decline of American manufacturing.

“The manufacturing base in the United States needs to be rebuilt. I’m in the high-tech sector, but I can see it eroding, too, and going off-shore. We need serious government policies to stop making it profitable for U.S. companies to off-shore their labor (both manufacturing and high-tech engineering).

Ultimately we will end up a 3rd world country if we don’t do something. With only two classes, the ultra rich who have basically sold America to other countries (manufacturing base and now engineering) and the poor who will be doing some low level services.. I worry for my kids and the future of America if we don’t stop the erosion.

*“ I worry for my
kids and the future
of America.”*

We need tough policies at the highest levels of government to get back to a strong manufacturing nation. The middle class will disappear without it.”

Barbara, 55, from a small town in Addison County has two children: one a recent college grad and the second in his junior year. Retirement seems like an unrealistic option now as the family grapples with how to pay for tuition.

“We are very frustrated with the downward spiral of our income as we attempt to support our commitment to a college education for our children.

My story most acutely concerns my hopes for my children’s future, and whether retirement will ever be an option for me. My husband and I are both college educated. I work as a school nurse, he is a mental health counselor. We have never had ‘big’ salaries, but felt that with careful stewardship, we could afford to save for retirement and provide for four years of college for each of our children.

It’s unlikely both can happen. At present, I have been funding my son’s tuition by withdrawing from a modest ROTH IRA and adding to our home equity debt. ... Before the recession hit, I had inherited a stock fund when my mother died 2004, and I had hoped to use that to pay my son’s college expenses. The fund is worth a third of its 2004 value and is no longer a viable choice for college funding.”

After nearly three decades working in law enforcement, a Vermonter in his early 50s from the Connecticut River Valley has struggled to reenter the work force after stopping his police duties because of health concerns. He has spent thousands to learn new skills, but still can’t find a job and has been unemployed for more than a year.

“ I was sure I could get another job fairly quickly. I could not have been more wrong.”

“In 2009, I retired from my job as a Police Officer due to medical issues. This was after 29 years in VT law enforcement. If not at my doctors urging I would not have retired with the state of the economy. After retiring, I was sure I could get another job fairly quickly. I could not have been more wrong. I sent out resumes, checked the classified and looked online.

Nothing was available other than minimum wage jobs. This was very sobering considering my training and experience. I had been confident that I would find something.

I then went to commercial truck driving school to increase my odds of finding work. I spent over \$2,000 of my retirement monies for this school. I worked for about one month after getting my commercial license. Then everything ended. ... So I have been unemployed for over a year. I needed to cash in any retirement monies I had to keep from losing my house. I am now on unemployment and living paycheck to paycheck. My wife is still employed, but in NH and that is the only thing keeping us from being homeless.

So, as far as the recession being over, I have not seen any of the recovery.”

“ Our home is on the market. We have to sell. I am on unemployment.”

A 52-year-old teacher from Chester moved to Vermont because he read that Vermont’s public schools are some of the best in the country. The worsening economy, however, caused budgets to shrink forcing layoffs to take place.

“Since the end of the last academic year, I have not been able to find a full-time job in any of my general education content areas. Our home is on the market. We have to sell. I am on unemployment. Fortunately, at the end of the month I’ll begin teaching part-time at the Community College of Vermont. Although CCV has been great to me, this will not make up for my loss of income from working as a full-time teacher. I’ve lost a great deal of income due to the economy over the past year. My wife and I are in a tight spot and have to think our way out of our problem.”

Marlene, who is in her 50s, lives in a small town in northern Vermont and shares some of her worries and fears: layoffs, poor credit, and aging cars that could leave her stranded.

“The past few years have been hard on my husband and I. He is a welder for a heating and ventilating company. He has faced long layoffs over the past few years and since we depend on his pay check, going without it impacted our lives in so many ways. We fell behind on bills and our credit is horrid. We are pretty much stuck with two old cars that we can’t trade as no one will give us a loan. My husband’s job takes him all over the state and into New Hampshire. Every time he has to leave on a long trip, I worry that

the car will not make it and if it totally breaks down, how will we be able to continue to work if either needs major repairs. I drive from Enosburg to Essex everyday for my job and live in fear of being stranded. The recession impacts our lives every day in ways most might not think.”

Jo Ann, 52, of Rochester shared her difficulties paying for college tuition, the decline of the middle class, and the embarrassment she felt when she had to ask for help.

“I am 52, single parent of two, my son just started at Burlington College this fall. We can’t afford it, but he’s going anyway. Financial aid falls short \$1000 each semester but

“ I had to ask the food shelf for help last winter. Embarrassing, mortifying and depressing.”

so far we have scraped it together. The demise of the middle class has made housing unaffordable, they want too much for their hovels (that they can no longer keep in good repair). The fuel bills are ridiculous. Skyrocketing food costs, gasoline, cigarette taxes and stupid rules about ordering through the mail, drugs and doctors outta control, no public transport, no jobs, no jobs training, no sense of community.

I mean I work hard, make a good wage and I had to ask the food shelf for help last winter. Embarrassing, mortifying and depressing.”

Linda, 56, of Barre has been jobless for a year and writes about the difficulties of finding a job in central Vermont.

“I’m a 56-year-old female living in a small village in Barre Town. I’ve been through outsourcing. I’m going on a year of unemployment this week. If it had not been for the two extensions of the unemployment benefits I have been lucky to receive, I’m not sure what I would do. At this time, I expect these benefits will expire in 9 weeks. In my search for employment, I’ve only been contacted 3 times by any prospective employers. My options are running thin.

The job market in Vermont is not growing in the skilled worker market. Sure there are jobs in Central Vermont if you have a CDL and can lift 50 lbs or more or if you drive

an hour or more. With gas prices in Vermont currently at \$3.19 a gallon and still on a rise, I cannot afford to go to work to pay the gas companies, as well as purchase a reliable vehicle so that I would be sure to be able to get to work each day. Last summer, I began applying for retail positions in the area; these positions are primarily part time, require one to stand for 5 to 8 hours a day and have no benefits. I believe I am also a victim of age discrimination, a claim that cannot be proved by nonetheless a reality in the country. When my unemployment runs out, I'm not sure what I'll do. I can barely purchase groceries as it is now. Visiting the dentist is already becoming difficult and visiting an eye doctor is already a thing of the past."

"When my unemployment runs out, I'm not sure what I'll do."

Will, 46, of Charlotte went back to school to get a degree to become a teacher. He faces "a mountain of credit card debt" and can't land a full-time teaching post.

"I have a mountain of credit card debt that I accumulated while I was in school. I was making regular payments but, despite the fact that I always paid more than the minimum and always on time, the credit card companies raised my interest rates to 24.99%,

"I am financially ruined. I find myself depressed and demoralized and my confidence is shattered."

and as a result the balances never went down much. Since last December, I haven't been able to pay my bills at all. I live out of boxes in a rented room, because I can't afford to move my belongings from California to Vermont. There's a good possibility that my position will be eliminated next year, and that means relocating again, but the ugly truth is that there are few jobs any-

where in the country for a high school English teacher. My car lease is up in a year, and somehow I have to save to pay the residual, because, without a car I am unemployable.

I am financially ruined. I find myself depressed and demoralized and my confidence is shattered. Worst of all, as I hear more and more talk about deficit reduction and further layoffs, I have the agonizing feeling that the worst may not be behind us."

Mary Ann, 47, is working two jobs and is raising a young family outside of Burlington. Her husband has been jobless for more than a year.

“Because of the recession, I don’t get to be with my kids very much anymore. My husband has been out of work for a year now. He’s applying to several jobs. Either he gets no replies, which is most of the time or they want to offer him a job for minimum wage when he was making almost \$20/hour before his job was lost after 16 years.

I work two jobs so my kids can eat and we can try and keep up with the bills. I work close to 60 hours a week between my two jobs, and sometimes more. I’m contemplating taking a 3rd part-time job. It really hurts me because I’m missing out on my kids. They miss me and beg me not to go to work.

“I work two jobs so my kids can eat. 60 hours a week and sometimes more. I’m missing out on my kids. They miss me and beg me not to go to work.”

I can’t put any money into the kids’ savings or my savings. I’ve got my heat turned down way low, I use night lights in the house for lighting, I plan my driving errands not to waste gas, I cut my coupons, I return bottles, I even pick them up off the street. I take hand me down clothes because I can’t afford new ones. I want to be able to put money in the bank again for my kids, their future and mine for when I retire.

I cringe when my son’s friends invite them to Birthday parties, which means I have to come up money for a gift. Daycare costs are high and continue to rise. All costs of living are rising but pay rates are declining, jobs are declining, insurance costs rising.

When can we expect some kind of normalcy so we, as Americans, can live the American dream? The kids, dog and white-picket fence. I don’t see it.”

Letters from older Vermonters

A retired, Vermont couple in their late 60s, who live in a small town near the Canadian border wrote about their struggles to pay the bills on a limited income. The lack of cost of living increases to Social Security has created additional strain.

“We are both retired and drawing small pensions, as well as Social Security. Our health premiums have increased, as have our propane bill, fuel oil bill, gas at the station, prices for food, and prices in general. We were told we were not eligible (all of us on Social Security) for cost of living increases these last two years. Our income is just barely over the poverty level, so we are not eligible for 3 Square Meals, nor help with our fuel bills or phone bill, etc.”

Henry, 60, from Windham County writes about the immediate effect of the recession and the stigma of not working.

“The current recession is just the latest of economic storms that have impacted my life. I was laid off from a job of 13 years in 1991. Layoffs are tough because it is not because of the quality of work that you lose your job, but the stigma of not working is still on you.

My current layoff occurred in October 2009 after more than four years in my job. There are no jobs. I am old but still 18 months away from any Social Security.”

Tom, 66, of Norwich writes about the impacts of the loss of manufacturing jobs in northern New England.

“I cannot remember a worse economic downturn and subsequent loss of jobs throughout NH and VT. This recession is by far the longest since 1972. Loss of manufacturing jobs by way of company relocations and outsourcing in both VT and NH has taken it’s toll on many a family. Where many of these



lost manufacturing jobs paid a reasonable and fair wage to include a benefit package, replacement jobs in the service sector, for example, are by far inferior and many lack a decent benefit package.

Many of the unemployed I met in recent years have been psychologically devastated by this recession. If reasonably good-paying jobs are made available and training provided where necessary, the vast majority of the unemployed will happily be back to work, but this can only happen if an investment is made in the hopes and vocational aspirations of Vermonters. We cannot afford to run a 10% unemployment rate for the next three years.”

Beth, 69, lives in a small town in the rural northeastern portion of the state. She asks, “What happened to the middle-class?” and is concerned about the lives her grandchildren will lead.

“ We are the first generation to leave our kids worse off than we were. How did this happen? ”

“I don’t know what kind of a future my grand kids will have. How will they be educated if we can’t help them? It is great there are loans out there for education but they are being charged more for the schools than I paid for my house. They will be in debt their whole lives. We are the first generation to leave our kids worse off than we were. How did this happen? Why is there such a wide distance between the rich and the middle class

and the poor. What happened to the middle class? We did not buy boats or fancy cars or diamonds. Why was it possible to change the economy from one that was based on what we made and grew and serviced to a paper economy that disappeared?”

J.R., a 67-year-old man from Vermont’s Northeast Kingdom writes about his battle to save his home from foreclosure and his fading confidence in the “American Dream.”

“Lost job in 2007 and spent entire saving and 401K paying mortgage to save home. Banks kept saying 4-6 weeks to assist, two years later they are now foreclosing on mortgage, as they cannot modify mortgage as I don’t make enough money in Social Security and retirement. Unemployment ran out, so income lower. Banks bought out other banks and became larger with bailout funds and didn’t help anyone, to my

knowledge. ... What a country, all a bunch of crooks and they are still making millions of dollars in bonus and salary. Guess this is the American dream”

Ellen, 63, lives in a Rutland County town, and writes about being forced to start receiving Social Security payments earlier than she would have preferred because her low-wage job isn't enough to pay the bills.

“All I can say is I still have a job for all it is worth. I feel making \$8.81 an hour at 17 hours per week is ridiculous! I don't bring home enough to help out with the major household expenses I used to pay half on. I'm lucky if my paycheck reaches \$130 a week. By the time I pay a few bills gas up and pick up a few needed items I'm lucky

if I have any left for spending. I earned less than \$8,000 this year. It just about what I made back in the 1970's and lived better. I feel bad for my husband trying to take on what I used to pay for myself along with major expenses. It's not easy with lights, gas, house fuel and food constantly climbing. There is no such thing a setting up a budget nowadays because if you try to save on a budget you still don't have enough when something comes due.

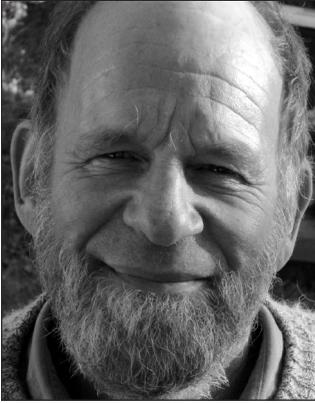
If I were to lose my husband I'd lose everything. We have never been extravagant spenders don't travel on vacation, only every 2 years and hardly go out to eat or enjoy ourselves. We are in our 60's and these are the years that we should be doing what we have always dreamed of after raising our family and doing without when we were young. Many of us have been forced into early Social Security just so we can live.”

“ Many of us have been forced into early Social Security just so we can live.”

Marcia, 70, from Windham County has worked hard her entire life and writes about her struggles.

“I had worked hard and thought I planned well for retirement, but my husband's illness and medications cost much of our planned savings. I do have a small investment which helps me pay the big bills (oil, house and car insurance, etc) that come once a year - that will last about four more years. I go to the local food pantry. And I keep the heat down in the house. I'm making it --but I fear if I get ill or can't do everything I do what will happen to me.”

Nicholas, 71, of Glover writes about the struggles of being a logger in Vermont and the need to keep working into his 70s because of no pension and limited savings.



“I am a forester, logger, and grower of Christmas trees. Log and pulp prices have dropped as much as a third or more since 2007.

The recessionary effect has been sufficient to drive many small operators out of business, to force large operators to produce more and more product, at lower prices, just to make equipment payments and keep workers on board. I am a 71-year old person who might otherwise stop working so hard, but in order to even maintain my household and basic minimal expenses, I have to keep working for less money. Of course, I have no pension, and minimal savings. As we are fond of

saying, we in the logging industry (dairy too) are “paddling our money”. There is little prospect of actually making a small profit. I survive since I have no employees (except for my son, who will soon go back to college), and because my basic equipment is over 30 years old. I try to maintain it well as I would never be able to replace it. In Vermont, the logging industry has been left to pretty much sink or swim. Nonetheless, I and other loggers will soldier on. We love the woods and the work.”

Ken, a 74-year-old from a Lamoille County town, writes about skyrocketing health care costs and the need to continue working to pay the bills.

“One of the biggest impacts for me it that all of the financial institutions have lowered their interest rates to the point where you feel that it’s almost useless to try to save money. These are the same people who received the stimulus money and are well off but they continue to take advantage of the average guy on the street. I think that the government should at least exempt some level of interest reporting on tax returns and in that way give us a break because the banks certainly aren’t going to. The thing that is killing us is health care costs. The monthly premium is now \$431 to cover my wife and I. I remember when it was \$127. We have a 2003 van with 104,000 miles on it and a 1996 truck with 117,000 miles. We can’t afford to buy anything new so we are just nursing those vehicles along. I have worked for over 50 years and will probably continue as long as I am able in order to maintain a decent standard of living.”

A 70-year-old man from Guilford, Vt., writes about being forced to return to the work force and his concern that young Vermonters will have to leave the state to find good-paying jobs.

“Biggest impact on me has been the devaluation of my retirement ‘nest egg.’ I have returned to the workforce part-time.

Second impact has been the escalation of prices for things we normally buy. It’s almost as bad as when Carter was president. (Worst economic times for me, personally).

My suggestion is to look, closely, at how Tennessee (and in particular Chattanooga) has dealt with the recession. By coordinating (and balancing) tax policy, environmental concerns and education they have managed to add thousands of good-paying manufacturing jobs (including a new VW plant). Parents in Tenn. can look ahead and know their children can live and work in the area. Conversely, in Vermont the children are leaving as soon as their education is complete.”

An Essex Junction woman writes about the difficulty her 70-year-old husband has in finding a job that pays a livable wage.

“My husband, who just turned 70, is a self employed carpenter/contractor who had been subcontracting and doing a lot of work in Stowe. Lots of folks expect an older worker to work for ‘peanuts’ rather than to pay the bills.

As an older worker, it is not possible to compete with younger workers doing high-end woodworking as part of a crew, nor is it possible for us to live on that minimum income as we are a one income family. Although we are taking Social Security, that money is going to support our youngest daughter who recently graduated from college, during her unpaid professional internship, and to cover her college loans. Our savings are minimal, so living on Social Security, alone, is not really an option unless we are forced to. We are continuing to develop our skills in frugal living; we can garden where we are, do our own repairs and upkeep, and minimize our expenditures. Our vehicles have over 100,000 miles, but are necessary both for contracting and because there is no public transit where we live.”

“ We are continuing to develop our skills in frugal living.”

An 89-year-old woman from Dorset depends on Social Security to survive and must sell her home because she can't afford the taxes.

“The current depression is much worse than that of 1930’s. As to the effect on my life, living on Social Security, the lack of cost of living increase which is very real, makes it hard to make ends meet. I have a very good health program through the Vt. Teachers Retirement System, but the cost goes up and up. Property taxes are extremely high in Dorset. I must sell my property.”

A retired couple from White River Junction share concerns about their retirement funds falling short.

“We are a retired couple in our 70s & 80s. We worked all our lives to get a home of our own and a nest egg in the bank. Well, now the nest egg is depleted and the price of heating fuel is over \$3 a gallon. Plus, the medical insurance is exorbitant and still climbing. In a nutshell, I am wondering if Congress is running this Country or Wall Street?”

Thelma, 81, of Brattleboro is worried about the job market for her children.



“Out of four grown children, 10 grandchildren and 18 great-grandchildren (all under 15 years of age.) I am lucky that only my youngest daughter lost her job at a printing company over a year ago. (Her job went to India) Then the company was sold to a French Company. She just barely went to work in a medical office on 12/13/10, and is still worried about layoffs, as the newest, she would be the first to go. This uncertain situation in the job market now has many young people worried. My husband passed away this past summer, and my income has been cut, but I have always been a good manager, and will survive.”

Letters from small business owners

A Vermonter who runs a small business in Rutland County describes how larger companies are leaning on smaller operations during the recession. Some big companies, he writes, now take months to pay small businesses like his – a practice which he calls “a small business killer” and a “huge disincentive to create jobs.”

“In the past year, many of our clients have switched from a 30-day payment policy to a 45-day payment policy, meaning that it takes longer than ever to be paid for work that we’ve already completed. Add to that the time that it takes to finish the job, and we’re sometimes looking at a months-long stretch without any income.

This is a HUGE disincentive to create jobs and increase our payroll. It means that we, as a small business, would have to front the money to pay any subcontractors or employees while the larger corporations forestall payment on our invoices and watch our compensation generate interest in their own bank accounts.

“When larger companies weather the economic recovery on the backs of small businesses, something ain’t quite right.”

Big companies win. Small companies lose. When larger companies weather the economic recovery on the backs of small businesses, something ain’t quite right.”

A man from central Vermont saw his monument business fail a few years ago. Cheap foreign imports were too much to contend with, he said.

“The problem I face now is that no bank will loan me money, not based on my near perfect credit rating, but based more on the state of the economy itself. I have had to drain savings accounts as well as retirement investments to attempt to make it work. I have always been able to provide for my family, but now more than ever, I feel that I am nothing but a failure. I need help and no one is willing to give it. Maybe my house will be the next to be foreclosed on to add to the near half dozen already foreclosed on within my neighborhood alone... I have done so well in my life, I have worked hard and

at one point thought I had something to show for it. At this point, if all I can do is feed my family, I must consider myself lucky! Add to all of this, my wife goes back to work after the new year only to be greeted by a reduction in pay due to increased health insurance!”

Dennis, 61, of Hartford owns a Laundromat that is struggling through the recession. Many of his customers have trouble affording the small cost to clean their clothes.

“I am a 61-year-old-man who owns a small Laundromat. By nature, you can imagine that the clientele I have are either young people just getting started in their new apartments, people who are a bit economically challenged, or senior citizens who have downsized their lives.

“ I am still hanging on, but barely.”

The economic downturn has hit my customer base, perhaps the hardest. Unemployment, underemployment, etc, has pushed them to a point where even taking care of necessities like laundry is an economic challenge. Obviously, their inability to do something as basic as laundry, has affected me, as well.

I have seen double digit reductions in revenue while I have watched my expenses continue to rise. The higher cost of propane, electricity, services, etc has been borne by me. I am unable to pass along my higher costs to a clientele that already can’t afford my services. Catch 22!

I am still hanging on, but barely. The government really needs not only to create jobs, but it must also penalize those companies that send their good jobs overseas. Competing globally is fine, if we are all playing on a level playing field. Countries like China, India and others do not play fair with their employees.”

Margi, a 53-year-old woman who runs an awards and engraving business with her husband in Chittenden County writes:

“I have to tell you February 2009 was the scariest month we have ever lived through, economically. January sales dropped 50% over 2008. Our production manager asked if we’d be able to give her much notice if we had to lay her off. We were all sort of shell

shocked, our production book – usually squeezed 7 to 10 days out – was pretty empty. All six employees seemed to whisper. Everyone was so tense. We realized that the thing that was going to kill us was employee anxiety. So in late February 2009 – right ahead of the ‘engravers rush’ – we gave an across the board 10% raise– and told the staff that we were NOT going anywhere. Whew, what a difference that made – trust if nothing was reaffirmed.

It has not been easy. We lost the lease on our building and had to invest the remaining majority of our personal assets in the ‘fit up’ of the current location. But our commitment to our staff and customers has paid off.”



A woman from a small town in Addison County writes about the difficulty of making ends meet as she and her husband raise their two teenage children. She has steady, but piece-meal work. Her husband, a longtime building contractor, has struggled to find work in the last year.

“Construction projects simply do not exist. For the first time ever, my husband and I are finding ourselves having to apply for food stamps, fuel assistance, and even lunch money for our son. Without [my husband’s] work, we just can’t make ends meet. I am not sure what we are going to do. At this point, I see my husband, capable and experienced, now really struggling with depression and trying to reinvent his profession at age 51.

I feel this recession is leaving us, once perhaps a Middle Class couple, now suddenly thrust into the Lower-Middle Class world without loads of options except to try and find more and more smaller jobs to fill in some of the financial gaps we feel day to day. All we want to do is work hard and pay our bills. We’re just not sure even that part of the American Dream is still possible anymore.”

“ I see my husband, capable and experienced, struggling with depression and trying to reinvent his profession at age 51.”

Letters from across the country

Salvatore, 24, from Pittsburgh graduated college with honors, but both he and his fiancée can't find good-paying jobs. He says his hopes and dreams for the future are fading.

“The economy has hit us very hard. I am working in a graphics department, making \$11/hour. She is a waitress. We can barely make ends meet. Our mortgage takes a majority of our money. The rest goes to bills, and in her case, paying back her student debt.



We had to cancel our wedding. We simply are not making enough money to make it. We are going to get married at the courthouse in Pittsburgh, Pa.

When we graduated, we both had high hopes. We thought that with schooling, we would be able to make it in America. That dream is long dead for us, however.

With every passing day, I realize that my dreams are fading away slowly. For every day, there is another younger, more intelligent person stepping up, and they are much more likely than I to receive a job. At this point, my only chance of being able to succeed in my field would be to go back to school for teaching. However, at my income, with the bills I have, it's simply not practical. I don't know what my next step is. I am stuck in a trap. Inside I feel like a failure. I feel like I am not meeting my full potential. America is in a struggle. And many are losing the fight. Even well educated, intelligent people.”

Bob, 46, from Queens, N.Y. lost his job in June 2008.

“I am still unemployed and am literally a phone call away from food stamps. I have managed to eek by with various 1099 freelance contract positions and some financial assistance from my parents (pretty embarrassing for a 46-year-old man with a master's degree).

Currently, there are 19 million Americans without jobs — these figures do not include people like me, who are no longer receiving unemployment benefits, or the underemployed. Nineteen million plus is A LOT of people.”

A 48-year-old woman from Norwalk, Calif. and her husband have both lost their jobs.

“I am a white, female, college-educated middle-class American citizen living in Southern California. My husband, who shares my demographics, is 51. In the last few months both of us have lost our jobs, and we are having difficulty finding new jobs. We have lost our health insurance. If we don’t find new jobs soon, we will have to move in with relatives in the Southeast -- we will thus be homeless. We had steady work histories, and were unemployed through no fault of our own. My husband has numerous medical problems for which he requires medication, and I require medication also. We never thought this could happen to us.

*“ We never thought
this could
happen to us.”*

A woman in her late 50s from Trenton, N.J. writes about the outsourcing of American jobs and the importance of keeping Social Security strong.

“I know many people who are either recently unemployed or under-employed (including myself). I am almost 60 yrs old and I can only get work part-time. This economy is terrible & it appears that the U.S. is becoming a third world country since the 1% owning this country are only interested in getting richer. All jobs are going overseas. My husband is retired living on Social Security (\$1,807 monthly) plus a meager pension which goes entirely to pay for health insurance for us. Things look grim for many Americans right now with little hope for a better future. I also wish to say I am not interested in privatizing Social Security as this will empower Wall Street and the Banks even further.”

A couple in their late 50s from Long Island, N.Y., writes about how they have become demoralized by the recession.

“In the past 5 years, we both lost our businesses, and our teaching hours have been cut to almost nothing. We are each working 3 jobs that pay 1/4 of what were making. In short we have been financially, emotionally and spiritually destroyed.

“Never in my wildest nightmares, had I thought we would be in this position at this time of life.”

We have been forced to sell our home and possessions, as well as use all our savings carefully put aside from a lifetime of hard work in order to survive. Both our grown children are working menial jobs as well. One has her Masters Degree in Education and the other is working on a Masters in Cinema producing living entirely on student loans in California. We cannot help either of them.

We are flat broke and totally demoralized. The stress is making us very sick; however, we cannot seek the help we need, as we do not have the money to do so. The only businesses or industries hiring in our area are these: Drug Stores, Walmart, and Banks. These jobs pay \$9 an hour. Most other small business has been decimated. We are struggling to put food on the table and gas in our car. Never in my wildest nightmares, had I thought we would be in this position at this time of life.”

A mother with two kids from outside Seattle is struggling after her business began to fail.

“I am a single woman with two kids. I adopted them from Cambodia when I was still in good standing as a member of the middle class. I have been gainfully self-employed since 1987. In 2008, my business started going down and has continued to plummet. I’ve lost my house to foreclosure and am now faced with homelessness. I can’t find a job and reviving my business is not working. I don’t know what to do. Here I rescued my children from the third world and am now plunging them back into it.”

A couple in their mid-50s from Barre, Mass. writes about the difficulties of searching for employment at this stage of their lives. Facing foreclosure, the Massachusetts couple is fearful they may end up living in their car.

“We, my Husband and I, are very deeply concerned. You see, My Husband has been out of work for 3+ years now, losing his job to China in manufacturing. We are now at our wits end and in dire straits. Our parents have since left this world and with no place to go, what are we to do and where are we to go? I pray to God we do not have to resort to living in the car which is unimaginable in the middle of January in 0 degree temperatures with no gas money for gas to run the engine to keep warm. This is inhumane, to say the least and yet no one, NO ONE in this great state of ours is doing anything to prevent this crisis.”

“ I pray to God we do not have to resort to living in the car which is unimaginable in the middle of January.”

A 60-year old Oregonian says she is struggling through the recession and is relying solely on Social Security for her retirement income.

“I am a barber in Florence, Oregon, 60 years old. I used to have a fairly good business, but my income because of this recession is half of what it used to be. And I struggle, struggle, struggle. I hope things get better soon. I need my Social Security desperately when I retire in five years. I have two metal hips, arthritis, diabetes, and no other pension. Please keep it alive for all of us who maybe didn't intend to live on it, but may have to.”

A 61-year-old woman from eastern Kansas writes that she has borrowed her limit in payday loans.

Recession Everywhere: I let Kansas Medicaid INSURANCE go, because I cannot afford the \$441 per month pay down. People think Medicaid is free. It is not. Kansans must live on \$736 a month to qualify & give the state our assets when we die - pretty good deal for the state. Over the 10-yr recession I've slowly given up nearly everything-the paper, any memberships, entertainment, all but basic cable, any new clothes, some

RX's, desserts, meat, all but \$10 per month in gasoline, 62+ degree heat, etc, etc. I've borrowed my limit in payday loans. And I've gone past hitting the wall. And it hurts. I'm cold, in pain because I stretch my Rx's, gained weight on high-carb cheap foods making my condition worse."

Robert, 63, from southern California writes about the construction industry on the west coast.

"To make it short, I use to run my own Residential Construction Company that in 2005 'grossed' \$3,000,000 in business. I ran out of big jobs in July 2006 so I took a temporary retirement until something else came up. The middle class is struggling to survive!!

I'm turning in an application TODAY to my local City Government for a construction workers position, (if I'm lucky to even get the job among 1,000 others plus, I'm 63), this job will gross me \$165 per day. So, how bad is the middle class being hit?? You do the math and my story is being told ALL OVER in this state!

"By the time this economy turns around, I'll be too old to work."

By the time this economy turns around, I'll be too old to work!"

SENATOR SANDERS ASKS: 'WHERE DO WE GO FROM HERE?'

Rebuilding America's Middle Class

As letters in this booklet suggest, there are enormous problems facing our state and country. Addressing the economy and the collapse of the middle class, the increase in poverty and the growing gap between the very rich and everyone else must be at the top of the list of issues that Congress deals with.

Further, when we talk about the economy we must be aware that official statistics are often misleading – and under-estimate the extent of problems. For example, while the official unemployment rate is now at 9%, that number does not include large numbers of people who have given up looking for work and people who want to work full-time but are working part-time.

Also, as the letters in this booklet attest, statistics do not reflect the reality that millions of American workers are now working at jobs which pay lower wages than they used to earn. The reality is that middle-class families have seen their incomes fall by more than \$2,600 over the past decade going from \$52,388 in 1999 to \$49,777 last year, after adjusting for inflation.

Let me very briefly mention a few of the areas in which I am working that I believe can address the economic crisis we are facing as a state and nation.

NATIONAL PRIORITIES: At a time when the top 1% now earns more income than the bottom fifty percent, it is absurd that we continue to provide huge tax breaks for the very rich, while cutting back (or threatening to cut back) on programs desperately needed by working families. In the midst of this major recession, we must make certain that Americans are not hungry, cold, homeless or without health care. We must also vigorously protect those social programs which help millions of Americans – including Social Security, Medicare, Medicaid and veterans' programs. We have also got to deal with banks ripping off consumers with outrageously high interest rates.

It goes without saying that we need to create millions of decent-paying jobs as quickly as possible. Simply put, there are too few good-paying jobs to prevent millions of Americans from sinking into debt and slipping from the middle class into poverty. Here are a few of the job-creating ideas that I'm fighting for:

REBUILDING OUR INFRASTRUCTURE: Over a period of years we can create millions of

good-paying jobs rebuilding our crumbling infrastructure including roads, bridges, water systems, schools, broadband, rail lines and public transportation. While we made some good progress in Vermont as a result of the stimulus package much more needs to be done. Rebuilding our infrastructure is not only important from a job-creating perspective; it will also make our country stronger and more competitive.

TRANSFORMING OUR NATION’S ENERGY SYSTEM: We are currently spending about \$350 billion a year importing oil from abroad. In my view, we must move to energy independence, by reducing our dependence on foreign oil and cutting greenhouse gas emissions. When we do that we will not only help reverse global warming and pollution, but create millions of good-paying jobs in energy efficiency and such renewable sources of energy as wind, solar, geothermal and bio-mass.

REVAMPING OUR TRADE POLICIES: It is becoming harder and harder to buy products manufactured in the United States. Over the last ten years we have seen 42,000 factories shut down in this country and millions of good paying manufacturing jobs lost. In Vermont, during the last decade, we have lost more than 14,000 manufacturing jobs – many of which paid decent wages. In my view, the evidence is pretty clear that NAFTA, Permanent Normal Trade Relations with China and other trade policies have failed. We need to make certain that corporate America starts investing in the United States, not China and other low-wage countries.

SUPPORTING SMALL BUSINESSES: In Vermont and throughout the country it is small businesses that are creating most of the new jobs, and we have got to be as supportive as possible of their needs. At a time when Wall Street is sitting on trillions in cash, we need policies that will result in affordable credit for small business-people and farmers who need it. We also need a tax policy which supports American businesses and farms which create jobs here, not in China.

Let me conclude by once again thanking the hundreds of Vermonters who have submitted their stories. For more information, or to submit a story of your own, please contact my office. Thank you.

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"The simple truth is that if we do not know the reality of what is going on in our state and country today, in terms of the struggles that people are facing, it will be impossible for us to develop the proper policies that enable us to move forward."

