

Testimony of John Cox
Family member featured in *American Winter*
Newberg, Oregon

Public hearing before US Senate Banking Subcommittee on Economic Policy
“The State of the American Dream – Economic Policy and the Future of the Middle
Class”

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My name is John Cox from Newberg, OR. I want to thank everyone for the opportunity to speak on behalf of the deteriorating middle class. I’m sure you will understand that I’m just a humble representative of the millions of families that have been placed in dire straits since the recession.

I was raised from childhood to pursue the “American Dream,” and to believe that the United States of America was the greatest nation on earth. My father, grandparents, school, church, and community instilled this American Dream mantra in me.

“Work hard,” they’d say.

“Get a college education so that your family can live more comfortably!”

“Save money for the future!”

“Volunteer and give time to your community.” And helping my neighbors isn’t simply a slogan to me.

And my father’s famous words, “Take care of your job and the job will take care of you.”

I knew the rules and tried to live by the rules as they were laid out to me. I took seriously the expectations that were placed on me by my government, my community, and my family.

Working hard was not exactly a choice. I was raised for most of my childhood on a cattle ranch. Winters required getting up at 4:00 AM to feed our cows before school and feed again before our head hit the pillow in the evening. Spring wasn’t easy either as we would take shifts during the night checking on the cows during calving season. My brother and I not only fought over whose turn it was to wash the dishes but whose turn it was to milk the family milk cow.

My father was college educated. It wasn’t an option but almost mandatory for me to go to college. I paid my way through college by working full-time jobs, commercial fishing in Alaska, and even sweeping Mt. St. Helens volcanic ash out of parking lots. There were times that I was working two jobs while still attending school. Through hard work and discipline I managed to get my way through school without any financial assistance from my government or family. Something I was proud of at the time.

Since the time I was 12 years old in 1972, until October 2008, I was never without a job. “Work hard...” “Take care of your job and your job will take care of you....”

I played by the rules. I followed the advice of family, financial advisors, and the government. I lived within my means in pursuit of the American Dream.

12 years ago I invested in a house that was supposed to be the home for my family. I saved for retirement in programs like the 401(k) that was partially set up by our US government. I made sure I had a six-month emergency fund in case something catastrophic occurred to my family. My credit rating was somewhere between very good and excellent. I paid my government taxes with the confidence that it was not only going to be used for the social fabric of all of the US citizens, but that it was also to provide a safety net for catastrophic situations.

Then the economy tanked-- and I was laid off from a \$60,000 a year Cost Accountant position in October 2008. I wasn't too concerned because I hadn't gone more than a week without a job in over 30 years. I had over \$35,000 in my emergency fund to supplement any bills that I owed while looking for my next job. Why worry.

I stayed positive when a month passed without employment. I gritted my teeth but still smiled when six months passed.

When my \$35,000 emergency fund was exhausted, I cashed in my 401(k), which, after early withdrawal penalties, netted me nearly another \$35,000. It was important for me to continue to pay my mortgage and my bills.

I finally succumbed to the realization that I needed help from the US government and applied for unemployment benefits around March of 2010. Mortgage and monthly bills were no longer being paid as I had to transition to survival mode.

I've been out of work for over three years now. Companies aren't anxious to hire someone my age. And Wells Fargo bank is in the process of foreclosing on my house that I've invested 12 years into, as well as a significant down payment. This house isn't so much a home for me but it's an investment to support my Down's syndrome boy, Geral, during his adult life.

I feel guilty because debts have gone unpaid. I know there are other families that are being affected by me not being able to honor my debts. They might be faceless but I know they are out there.

Still, I haven't given up and I don't sit on my hands. I continue to apply for jobs with the hope that I can again be a contributing part of American society. I have found, however, that jobs similar to my Cost Accounting profession are now only paying \$35,000 a year instead of the \$60,000 a year salary of four years ago. Still, I would gladly accept the lower salary.

I have even applied for minimum wage jobs. The hours have to be conducive to being able to work while my boy is in school. Minimum wage does not pencil out for the

breadwinner of the family. How can the government expect me to earn minimum wage, pay daycare for my Down's syndrome boy, and put food on the table?

Until fair wage jobs reappear, I need to put food on the table and keep a roof over our heads. But the policies that are being handed down and, more importantly, the lack of action on the part of our government, makes it impossible to do so. I feel that it is time for our government to live up to their end of the social contract. That was the bargain that millions of suffering people around the United States expect.

I understand that funding cuts for the SNAP food stamp program are being debated. How can this even be a possibility when people are going hungry due to no fault of their own?

I know first hand that help for homeowners facing foreclosure is seriously lacking. The federal government bailed out all the banks and then the banks simply pocketed the money without any penalty, and without helping folks like me all across this country.

Due to no fault of our own, people like myself are drowning without a life preserver being thrown our way. What happened to that ship that we call the "American Dream?"

Please help.