

Forty Years of Doing Everything Right:

One Working Life Against the System That Was Supposed to Reward It

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There's a version of the American promise that goes like this: work hard, stay employed, save what you can, and the system will hold up its end. This is the story of what actually happened to someone who kept that promise for over forty years — and what the numbers say happened to everyone else who did the same.

The Person

Born in May 1970. Started working part-time in 1982, at age 12, through a work-permit arrangement with an employment agency. From that point forward, worked continuously — for more than four decades, without a gap longer than 25 days — until the last two years.

That's not a story about someone who drifted, took shortcuts, or waited for a handout. That's the single clearest case a system could ask for: decades of uninterrupted labor, exactly as advertised. And here is what the system did in return.

The Ground Moves Before the Work Even Starts

In 1983 — barely a year after this person's working life began, at age 13 — Congress passed sweeping Social Security reforms. The payroll tax rate rose faster than previously scheduled. The full retirement age began a climb from 65 to 67 for anyone born in 1960 or later. This person didn't get a vote. They just started paying more, for a benefit that would arrive later, before they'd earned much of anything at all.

Five Crashes in One Working Life

From there, the shocks came roughly once a decade:

- **1987 (age 17):** Black Monday — the Dow's worst single-day percentage drop in history.
- **1990-91 (age 20-21):** a recession tangled up with the savings and loan crisis, as hundreds of banks failed and the interest rates ordinary savers relied on began a long decline.
- **2000-2002 (age 30-32):** the dot-com crash, which erased an estimated \$5 trillion in wealth and gutted 401(k)s across the country.
- **2008-09 (age 38-39):** the financial crisis — the big one. Banks and automakers got bailed out with public money. Ordinary people lost homes and retirement savings with

no equivalent rescue. Then, for years afterward, the Federal Reserve held interest rates near zero, so even the modest safety of a savings account stopped paying anything worth having.

- **2020 (age 50):** COVID and the fastest 30% market drop on record, just as retirement was moving from an abstraction to a plan.

Five separate financial earthquakes, arriving on a predictable rhythm, each one hitting right as the last one might have finally been absorbed.

The Backdrop Underneath All Five

None of this happened in isolation. Underneath those five crashes sits a 45-year structural shift that shows up clearly in the federal government's own historical data:

- **Corporate tax receipts fell by more than half** relative to the size of the economy between 1979 and 1982 — from about 2.5% of GDP to nearly 1% — and never recovered.
- **Individual income taxes rose slightly** over that same stretch and became, structurally, the dominant source of federal revenue — the gap left by corporations was not closed by anyone but individual taxpayers, and mostly not even by them.
- **The difference was financed by debt.** Federal debt relative to the economy went from 31% in 1981 to over 120% today — a rise to \$37.6 trillion, a number so large that even an almost unimaginable payment of \$1 million a day would take over 100,000 years to pay off.
- **Wages fell as a share of the economy** the entire time — from 47.7% in 1979 to 42.1% in 2025 — even as corporate profits and shareholder payouts, including stock buybacks legalized by a 1982 SEC rule, grew.
- **Union bargaining power collapsed** — from roughly a quarter of the private-sector workforce in 1979 to under 7% today — stripping workers of the leverage that might have kept wages from falling in the first place.

And When It Was Corporations' Turn to Need Help, They Got It

Here's the part that makes the arrangement feel less like bad luck and more like a pattern: every time a large enough company faced the kind of crisis that would end a small business outright, the public was there to catch it. Chrysler in 1979-80. The savings and loan industry in the late 1980s and 90s. The banks and automakers again in 2008. Large firms with privileged access to relief again in 2020. Senator William Proxmire warned about exactly this in 1979, voting against the Chrysler bailout: "Having bailed out Chrysler, a big and failing corporation, it's going to be very hard not to bail out others." He was right, every decade since.

A worker who lost a job in any of those same crises got none of that. They got unemployment benefits, if they were lucky and qualified, and the market's verdict on their savings.

A House That No Longer Exists at That Price

There's a companion story here, one generation up: in 1976, this person's father — a branch manager at A.B. Dick, the office equipment company — earned about \$45,000 a year and bought a house in Orange County for roughly the same amount. A national high earner of his era (the median family income in 1976 was about \$15,000, so his salary was triple the national norm), he bought a home in one of the country's more expensive counties for right around one year's salary.

That wasn't a modest ratio even by 1970s standards — the national price-to-income norm at the time was about 2.5x — but it was achievable on an ordinary management-track career, not a rare fortune. Try to repeat it today: the median Orange County home now costs roughly \$1.4 million, against a median household income in the county of around \$116,000-\$135,000. Even someone earning triple the local median today — a genuinely high income — would need close to four years of salary to buy that same house. A typical Orange County earner would need ten to twelve years of income. The branch manager's math from 1976 simply doesn't exist anymore, in that county or almost anywhere else in coastal California.

That's a third front in the same squeeze — alongside wages falling as a share of the economy and savings and market wealth taking repeated hits, the one asset that was supposed to be the most basic building block of middle-class stability priced itself out of reach for exactly the same generation absorbing everything else on this list.

Where It Leaves Someone Who Did Everything Asked of Them

Now run the tape forward for this specific person. The Social Security Trustees currently project that the program's primary trust fund will run short around 2032-2033 — at which point, unless Congress acts, benefits would be cut to roughly 77% of what's scheduled. This person turns 62 in 2032. The shortfall is projected to arrive before they're even eligible to claim early. Their full retirement age — 67, set by the same 1983 law that raised their taxes at 13 — doesn't arrive until 2037, four to five years after that projected cut takes effect.

Forty years of unbroken work, bracketed on one end by a law passed before their working life had properly started, and on the other end by a funding shortfall projected to land before their working life has properly ended. In between: five market crashes, a 45-year decline in labor's share of the economy, the near-total loss of collective bargaining power, and a federal government that borrowed \$37 trillion partly by taxing corporations less and less over the very same stretch — while making sure those same corporations never truly failed when their turn came.

The Point

This isn't a story about one person's misfortune. It's what the data says happened to an entire generation that did precisely what they were told: work, save, don't rely on handouts. The

handouts went somewhere else the whole time — upward, and repeatedly, to the institutions least likely to need them and most likely to be protected when they did. The people who held up their end of the bargain are the ones now told to expect less from Social Security, after paying into it for longer, at a higher rate, their entire working lives.

That's not a complaint about bad luck. It's an accounting of where four decades of promises actually went.

Note: this piece combines verified historical and economic data with one person's account of their own working history. Figures on debt, taxes, wages, market crashes, and Social Security projections are drawn from Treasury/OMB, BEA, CBO, and Social Security Administration sources; the personal timeline reflects the individual's own recollection of their work history.