

## 8 down and out

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# Introduction

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"I lost my job in 2009 due to health issues. My husband is our only income, and our income has been cut in half. I'm not sure if or when I'll ever go back to work, and it's embarrassing to ask for help. We have a 16-year-old son at home, and I want to keep things as normal as possible for him."

*—A woman who benefited from The Idaho Foodbank, 2011*

"In the past five years, I have lost my son and been divorced and unable to hold a job down due to the economy and my depression. I knew I needed medicine, but I have not been able to afford health insurance. When I found out about the Genesis Health Clinic, I knew it was my savior. I never knew places like these existed because I never needed them before."

*—A woman who received care from the Garden City Community Clinic, 2011*

**D**uring the worst recession in 80 years, tens of thousands of Idahoans watched as decades of work experience, sacrifice and careful financial stewardship were ripped away from them. Employers cut 60,000 jobs across the state, increasing the number of foreclosed homes on the market and driving down home values for those who remained. The construction industry, once an engine of Ada County's economic growth, collapsed. While the recession officially began in December 2007 and ended in June 2009, many Idahoans on the cusp of 2012 find they have been dragged across new thresholds. Once comfortably ensconced in the middle class, they are now poor.

With California teaching credentials and five years experience, Kim Dewit moved to Idaho with her husband in 2005. Brad had been stationed



Jeff Turner/Flickr

Ada County led the Treasure Valley with 312 filings for foreclosure in March 2001.

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Emily Ritter Sanders/StateImpact Idaho

Boise-Meridian, in the short term, show signs of economic recovery, but a 2012 report from the Brookings Institute predicts that the long-term rise in the value of goods and services will be slower than the national average. Pictured: Meridian jobs fair.

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at Mountain Home Air Force Base, they had friends in Idaho, and they knew they could never buy a home in California. In 2006, they bought a three-bedroom house in the Collister neighborhood for \$185,000, less than they qualified for at the time. They could easily afford the \$1,400 monthly mortgage payment. Then the recession hit. Brad's job was reduced to part time, no benefits. He left to work for a small business, which went bankrupt.

"Once Brad lost his job, it became unmanageable," Kim said. Then she got laid off from her teaching job. They tried to modify their mortgage, but Brad wasn't working consistently, and Kim was only working as a part-time, temporary teacher. Not only were they \$100,000 upside down on their mort-

gage, they couldn't pay their living expenses. In August 2011, a financial advisor suggested they sell their house. In September, they put it on the market as a short sale. "When people are forced to foreclose on their home, they're blamed for not trying harder," Kim said. "People think you're irresponsible, or you had too many kids, and that's not us."

To downsize from their three-bedroom house to one bedroom in a friend's house where they now live, they had a huge garage sale, took four truckloads of their belongings to the dump, donated four truckloads and stacked what remained in storage. At the end of February their house sold for \$85,000. Kim cried the whole way to sign the papers. When her realtor asked her how school was going, she felt so distraught she couldn't even form a sentence. "The wave of emotion that went through me, it's going through our whole society right now," she said. "It feels so awkward not to have a place of our own."

Kim has been encouraging Brad to go to North Dakota to work, and she is seriously considering teaching overseas because they can't find jobs in Idaho. They aren't alone. During the worst of the bust, about 25 percent of Idahoans in the workforce were collecting unemployment benefits. Many more have gone uncounted because they didn't qualify for unemployment. Since the so-called end of the recession, unemployment rates in many states have declined, but Idaho's unemployment rate continued to rise, hitting a high of 8.9 percent from August through December 2010 and again in July 2011. While the current unemployment rate hovers at about 8.1 percent, it is difficult to know how many Idahoans have been forced to accept part-time temporary work, or have taken full-time jobs for a fraction of their former salaries, or have given up looking for work altogether, subsisting on what they can sell or trade in the informal economy. One new entrepreneur was recently seen in the pond at Julia Davis Park collecting Frisbees that had been overthrown from the disc golf course to resell. The state Department of Labor in January called the job outlook through 2013 "limited," and the earliest Idahoans can expect to recover the last of the 60,000 jobs that have been cut will be the end of 2014.

Many of the jobs being created pay less than the ones that were eliminated, cutting into the ability of many families to eat. At \$32,357, Idaho's

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per capita income remained 49th among states in 2010, the U.S. Bureau of Economic Analysis reported. Mississippi ranked 50th. At the same time, per capita personal income nationally rose nearly 3 percent to \$40,585. In addition, the state Department of Education recently reported that in 2011, half of all Idaho students qualified for the federal free and reduced lunch programs, a 37 percent increase over 2008. All of this suggests that many more Idahoans are now impoverished.

Not surprisingly, people aren't flocking to Idaho like they used to when times were good. Population growth fell below 1 percent from mid-2010 to mid-2011, according to the Department of Labor. It's the first time in 20 years that growth has been so low. While some may celebrate this slowdown, population growth fuels job creation, an area where Idaho is already lagging behind other states. The depressed housing market will continue to be a discouraging factor in the migration of residents from other states. Boiseans who still had their homes in January 2012 found the city's median home price had dropped to \$130,000 from \$213,000 in 2006, according to Intermountain MLS.

In the summer of 2011, amid spiking unemployment, the College of Social Sciences and Public Affairs at Boise State University sponsored student research into the causes and consequences of the economic downturn. Professor Todd Shallat and City Councilman David Eberle organized speakers, readings and tours as part of a nine-credit downtown field school on Boise public affairs. 40 undergraduates participated. Called Investigate Boise, the project was the logical sequel to two previous studies. The first volume in the series, called *Making Livable Places*, examined successes and failures of preservation and urban design. *Growing Closer*, the second volume, considered the housing and transportation patterns that crippled the Boise Valley with unsustainable growth.

In *Down and Out in Ada County*, the third volume in the research series, students began with the hypothesis that the sprawl of overbuilt housing contributed to the severity of the recession, inflating the bubble that preceded the crash. Nine of the 40 summer students were selected to revise papers for a peer-reviewed publication. Editors Bethann Stewart and Larry Burke guided students through the writing process. Vital assistance was pro-

vided by community experts—notably Professor Samia Islam of the Boise State University Department of Economics, Bea Black of the Women and Children’s Alliance and Tully Gerlach of the Boise Public Library. Mayor David Bieter helped students appreciate the policy choices facing a hard-hit public sector.

For Idaho’s largest and growing metropolitan research university, the student research series serves a double purpose. It demonstrates that social science, although focused on global issues, can use scholarly insights and methods to understand the here and now. The series also showcases the value of place-based undergraduate research as a teaching tool. Participatory and experiential, Investigate Boise extends learning beyond the classroom, involving students in the policy making that shapes their future employment and the quality of civic life.

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