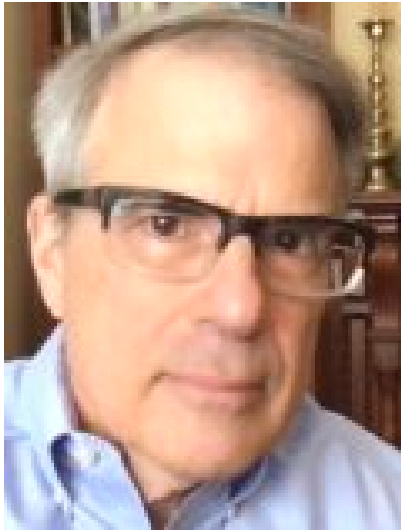


An Odd Couple: Trump Visits My Half-Latino Town

By Kerry Pechter Sat, Nov 2, 2024

Annuity sales are at an all-time high. Equity indexes are at all-time highs. Inflation has tapered, interest rates are favorable to life insurance companies, and unemployment is still low. The man-who-would-be-king aims to rescue us from that hell.



Donald Trump came to Allentown, PA—my home for many years—last Tuesday night. He delivered his 85-minute, invective-filled, vainglorious and by now familiar stump speech to a capacity crowd in a 10,000-seat hockey arena/concert venue built with a public bond issue.

A few days earlier, at a Trump rally in Madison Square Garden, an insult-comic called Puerto Rico “a floating island of garbage.” Allentown’s population is 54% Latino, including many Puerto Ricans.

Otherwise, Tuesday was a sunny, peaceful day here, interrupted by a small counter-demonstration by neighborhood Hispanic groups. The local newspaper’s feature writer described the scene on Tuesday afternoon in Allentown—famous for Billy Joel’s 1982 [lament](#)—with his usual eye for vivid detail:

“The center of Allentown was awash in red Tuesday, loud with pop and country music and the cries of merchandise hawkers whose wares bore the likeness of Donald Trump in any number of guises: gun-toting Rambo, knight in armor, bird-flipping tough guy taunting would-be assassins that he has proven to be bulletproof.”

Although the crowd at the arena, called the PP&L Center, appeared to be majority-white, the city’s population of 125,000 is only 38% white, according to the U.S. Census bureau. The city’s households have a median income under \$50,000, or about two-thirds the average median income of the surrounding Lehigh Valley.

The region has always been populated by migrants, in waves dictated by the economy. The Pennsylvania German population—farmers and tradesmen with formidable names like Lichtenwalner, Fenstermacher and Diefenderfer—of the 18th century were joined in the 19th century by Central and Eastern European coal miners and iron workers, who raised families

(as I did) in dense but tidy “rowhouse” neighborhoods. With the decline of the economy in the 1990s, thousands of low-income Hispanic parents arrived from New York City, searching for cheap housing and a safer environment for their children (including a future Philadelphia Eagles running back named Saquon Barkley).

Middle- and upper-middle class migrants have streamed out of the city and into the surrounding suburbs. Priced out of the market for single-family homes in New Jersey, these families been drawn by an expanding regional economy epitomized by McMansion subdivisions in former cornfields and million-square-foot white warehouses clustered at the nexus of interstate highways I-78 and I-476.

I’ve lived in this area for more than half my life. I’ve seen Bethlehem Steel corrode, watched most of Mack Truck’s jobs drained away, and observed four-story knitting mills converted to apartments. Hess’s, the city’s anchor department store and symbolic heart, was razed. Once nicknamed the Little Apple, Allentown, despite its “revitalized” core, is no longer a mini-Manhattan.

Poor people are concentrated in Allentown because they can afford to live here. A disquieting 63% of family households are headed by only one parent. Sixty-two percent of the population identifies as either Hispanic, African-American or mixed race, according to the U.S. Census. Half of the population speaks a language other than English at home. Almost 20% of the population is identified as having disabilities.

At the PP&L Center (Pennsylvania Power & Light owns the arena’s naming rights), Trump clearly wasn’t speaking to that audience. His red-capped audience almost surely came from outside the city. In his speech, he showed little familiarity with the local economy, other than to reference the petroleum industry that was born in 1859, when Col. Edwin Drake’s wooden derrick struck a gusher in Titusville, Pa. “Frack, frack, frack,” Trump promised the crowd. “Drill, drill, drill.”

But Titusville is 300 miles from Allentown, in the woodsy northwestern corner of the state. Shell Oil owns the old Quaker State and Pennzoil brands. The anthracite coal mines, integrated steel mills, textile factories, cement plants, zinc smelters, and railroads that once employed tens of thousands of blue-collar workers are mostly gone. The word “Pennsylvania” means Penn’s Woods, but nearly the entire state was deforested, temporarily, by the end of the 19th century. The wood became furniture, construction materials, and fuel.

Mining and logging employed only 23,100 out of the 6.56 million workers in the state in September 2024, according to the Bureau of Labor Statistics. The most worker-intensive industries in the state are now education; health care; trade; transportation; utilities; professional services; and government. One of the more geriatric states, Pennsylvania ranks 35th in economic activity. The Allentown-Bethlehem-Easton area—the “Lehigh Valley”—is the third largest metropolitan area in Pennsylvania, after Philadelphia and Pittsburgh. Pennsylvania has 19 electoral votes, the most of any of the states that are in play for the election. It’s been reported that a few thousand voters in Pennsylvania—about half as many as were in the PP&L Center (for Pennsylvania Power & Light, which bought the naming rights) to see Trump—will decide who controls the White House and therefore, to a degree, who controls the Earth.

This part of Pennsylvania has voted a blue streak in recent years. The local congresswoman, Rep. Susan Wild, both U.S. Senators, Bob Casey and John Fetterman, and the governor, Josh Shapiro, are all Democrats. But much of Pennsylvania is rural. Beyond the near suburbs, Trump signs line the country roads and cornfields.

Ryan Mackenzie, the Republican state representative hoping to unseat Wild, warmed up the crowd for Trump last Tuesday. To check the appropriate local demographic boxes, and to flesh out the dais, the Trump campaign had to go farther afield. Zoraida Buxo, a female Republican “shadow senator” from distant Puerto Rico, and Wesley Hunt, an African-American U.S. Representative from Houston, made brief appearances. The crowd saw a glimpse of Sen. Marco Rubio (R-FL). The man once dismissed as “Little Marco” and a “lightweight” by Trump, rushed up to the podium to announce that Joe Biden had called Trump supporters, “Garbage.”

What goes around comes around.

I don’t understand the magnetism of the-former-guy or the appeal of his agenda to many of my neighbors—or to my readers. Annuity sales will top \$400 billion this year, an all-time high. The Dow Jones Industrial Average is at an all-time high. The Fed performed a neat trick by raising interest rates without sinking equities. What’s not to like? The evergreen sore points—the “issues”—in this election cycle are inflation, immigration, taxes, government regulations. But, with gasoline prices down, so is the annualized CPI.

If Trump gets his chance to deport hundreds of thousands of undocumented migrants, many will no doubt be arrested in Allentown. But it will be wildly expensive, time-consuming, divisive, and unproductive to deport masses of people, on either a local or national scale.

Such a move will be challenged by human rights advocacy groups in courts throughout the land. Our southern border is under siege because parts of Latin America have become unlivable for families and because low-wage agricultural and “hospitality” jobs in the U.S. go begging.

As for taxes and regulations, I see no glaring reason for the retirement industry to complain. Even though most of the products that life/annuity companies sell today are more investment-like than insurance-like, and though only a handful of large life insurers remain policyholder-owned, the insurance industry retains government blessings. It still enjoys the tax-deferred or tax-free buildup inside its products and, on the retirement side of the business, the massive tax expenditure that incentivizes long-term saving. Are those subsidies taken for granted?

Yes, Trump’s return would end Gary Gensler’s aggressive enforcement policies at SEC. It would pull the plug (again) on the DOL fiduciary rule. But regulations cut both ways. Without a sense of regulatory protection, the public’s faith in the financial system, already low, will slip farther away.

As a member of the media, I stand ashamed of it. It has largely abandoned its post in this election cycle. It has given Trump a nearly free pass on the low-character question, which has always been hiding in plain sight (where the truth usually hides).

Despite the felony convictions, the coziness with dictators, the flagrant lies, the ignorance of law, economics and history, the stiffing of creditors, the two impeachment trials, the overt threats of violence, the self-enrichment, the appointment of family members to critical policy positions and, above all, the encouragement of the deadly riot and busted coup at the Capitol in January 2021, the media have said remarkably little about Trump’s many self-disqualifications for public office.

Why write this? Why take an unnecessary, perhaps foolish, professional risk? Silence is just not an option anymore.

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