

Wealth Distribution In America

by David Kulick

Few words in America are more feared than “wealth distribution,” other than perhaps “wealth redistribution.” Mention either topic and the specter of Stalin is sure to be raised, but how wealth is allocated is a significant measure of a society’s success, and it is a measure that we are failing badly. There are many studies and articles on the subject, and one good one is here: <http://www2.ucsc.edu/whorulesamerica/power/wealth.html>.

Rather than rehash the numbers, I’m just going to point out that the bottom 80% own only 11% of the country’s wealth while the top 1% owns 35% and the top 5% owns 53% - that last figure means that 5% of the population possesses more wealth than the other 95%.

Perhaps such skewed figures might be acceptable if wealth really did trickle down, so that the poorest among us could have a decent life, able to work 40 hours a week, raise a family, and retire with healthcare and without fear of starving. Maybe it wouldn’t matter how wealthy the top is if the bottom lives comfortably, but of course that isn’t the case. Oh yes, the poorest generally do live better than the poorest lived 500 years ago, but is that really a measure of success or something to be proud of?

Simply put, there’s too much wealth concentrated at the top, and not enough reaching the bottom or even the middle of the wealth spectrum. Over the last forty years, since Reagan started destroying unions and slashing taxes on the wealthy, inequality has exploded. The endless attention paid to the bottom line, usually at the expense of workers, means that anyone who doesn’t own stock falls behind. There is no law that requires corporations to enhance stockholder value at the expense of everything else. In fact, Robert Johnson (a co-founder of Johnson & Johnson) wrote that corporations are responsible first to the customer, then to the workers, then the managers, then the community, and finally to the stockholder. We seem to have forgotten that.

The Democratic Party platform didn’t specifically mention wealth distribution, but it spends page after page explaining how to achieve it, and it is really quite a remarkable document (http://www.presidency.ucsb.edu/papers_pdf/117717.pdf).

I don’t agree with all of it, but it’s all in there, raising wages, protecting rights, sharing profits, protecting Social Security, fair trade, fair taxes, creating jobs, sustaining our infrastructure, and lots more. Frankly, it’s an awfully good document. It’s the core statement of the Democratic Party’s values, and one that we should all read and be able to discuss.