Poverty Topic, 2016

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R: That (the U.S./other agents) should radically reduce poverty in the United States

Jack Jackson, Prof. Politics, April '16 ("Not Yet an End: Neoliberalism, the Jurisprudence of Obamacare, and the Welfare-State Left" *Theory & Event* Volume 19, Number 2, April 2016)

One thing should be clear: the welfare state is neither necessarily synonymous with freedom nor freedom's singularly proper end,46 but it is a mistake to render it per se alien, exterior, or antagonistic to freedom as matter of historical practice or theoretical principle. To open up our thinking, perhaps **it might be useful to begin considering the question of freedom and welfare from the shores of the marginalized Left critiques**. Indeed, the variety of critiques themselves invites us to think of the welfare state from a number of different angles and thus further pluralize our understanding of emancipatory politics. **Linked with a hesitation to speak of the Left in the singular, or in singular contradistinction to liberal politics, should be a hesitation to speak of the "welfare state" as a singular entity in the present with only one organizing principle. The latter is particularly important as the politics of the welfare state in the United States is too often thought exhausted by the politics of "welfare" for only the very poor.** ¶ Our judgment about the welfare state should be particularized, but one must move outward to see it in broader terms; **we should recall that the US welfare state includes: Social Security Disability Insurance, socialized old-age pensions, socialized public education, Medicare coverage for the elderly, food stamps, TANF (Temporary Aid to Needy Families), Head Start pre-school programs, and a Medicaid program that now extends eligibility to adults earning up to 138% of the poverty line via the Affordable Care Act.** By 2022, Medicaid could add over 20 million new enrollees.47 All of these programs constitute the "welfare state" in the United States but they are reducible to no single political principle other than one: the collective right of democracy to govern the material conditions of "civil society" and the political right to establish new property rather than simply police extant forms.

The material is available for the Topic Committee should the community decide to tackle a poverty topic for 2016-17.[i] This paper is more of a placeholder that points to the work done in three previous papers than it is a stand-alone proposal. Start with the 2012 paper for an overview of the controversy, the aff & neg ground, and the basics in terms of the broad topic area.

2012 Paper

http://www.cedadebate.org/forum/index.php/topic,3599.0.html
Economic Inequality Controversy Paper
« **on:** April 23, 2012, 02:30:19 PM »

2013 Paper

http://www.cedadebate.org/forum/index.php/topic,4799.0.html
Poverty Controversy Paper
« **on:** April 21, 2013, 11:28:28 PM »

2014 Paper

http://www.cedadebate.org/forum/index.php/topic,5874.0.html
Poverty 3-D Controversy Paper
« **on:** April 25, 2014, 12:03:16 PM »

The first paper was heavily focused on the wealth gap in the US with a pivot made in the two subsequent papers toward poverty and explicit wealth redistribution in favor of lower income and wealth classes—a narrow but very similar version of the emphasis in the first paper on reducing economic inequality.

The first two papers are reviewed and contextualized in the third paper on pages 29-31. Also, the previous papers advocated for the possibility of a Supreme Court agent on the slate of wordings. That was, in part, because a legal topic was a possibility—something that is not the case going into 2016-17. It could probably be argued that a SCOTUS agent on a poverty topic is more "domestic" than "legal," but we can avoid that question altogether by simply considering the Court to be negative ground or potentially a case under the passive voice options, but not as a stand-alone agent.

That means that pages 82-96 on the Court in the 2012 paper would shift over to the negative. There would still be space within the parameters of a "domestic topic" for a non-USFG agent. CEDA should change those categories, by the way—a five-year rotation based on agents or some other category scheme makes more sense. Someone in the know should draft a proposal for a USFG, US, International agent, Passive voice, Wildcard rotation.

The work on non-USFG agents is sprinkled between the recent papers and pp. 59-62; 97-122 of the first paper. In the third paper, correction on spelling of "Bakhtin" in the Mikhail Mikhailovich Bakhtin reference on page 5 as well as a one-time misspelling of "Piketty" on the same page. We also need to shift pp. 38-40 in the third paper on the Court over to the negative. Other than that, the wording work there is still pertinent.

It is interesting and provides some perspective on the importance of debating the economy/poverty questions to read this section of the original paper:

2012 Controversy paper on economic inequality

Related and somewhat related topic wordings from the NFL and NDT-CEDA can be found at the end of the document. The phrase "economy" or "economic" has only been used five times in past college policy resolutions (since the 1920s) and all of those uses were in the context of foreign policy and not domestic wealth distribution. These full wordings are listed below, but in summary, the topic in 1962 featured "economic" as a type of international community, the topic in 1956 featured "economic" as a type of foreign aid, the topic in 1999 featured "economic" as a type of sanction, the topic in 2003 used it as a type of assistance, and the China topic in 2005 used "economic" as a type of pressure. Needless to say, these are all in the context of international relations and a tool of foreign policy. The word "economy" has not been used in the past and most of the phrases advocated in this paper have not appeared directly.

The last college topic that was in this area required the government to curtail the power of unions—and that was back in 1981. The topics that have tackled issues of wealth distribution in the US are mainly about employment, labor law, and wage issues. These are all closely related and a wording could emerge from this controversy area that mirrors portions of these previous topics, but the idea here is to be fairly broad in reach and include a variety of mechanisms for addressing the problem of economic inequality in the United States. Quite surprisingly, we have not debated a topic like this in the recent past on the college level and the resolutions that most approximate this controversy area are calls for guaranteed employment through the federal government (1978 and 1964).
The most recent parallel to a topic in this area would be the high school social services topic from 2009-10,

The crisis is still there and worsening…[ii]

Cohen of the Guardian, this month (Nick Cohen, 4 April 2016 02.30 Chronicles: On Our Troubled Times by Thomas Piketty – review Eight years on from the banking crisis, Thomas Piketty's calls for financial reform are still ignored. This collection of articles finds him undiminished in his beliefs , http://www.theguardian.com/books/2016/apr/04/chronicles-on-our-troubled-times-thomas-piketty-review)

Thomas Piketty depresses as much as inspires. Read him and you become convinced that western democracies have set themselves problems they no longer have the will to solve. Democracy's superiority to dictatorship is not that democratic leaders are necessarily more virtuous than dictators are. Nor can anyone but a cockeyed optimist believe that democratic publics are by definition always clever and benevolent. Democracies' great advantage is meant to be that they have a rubbish chute. When leaders and policies fail, we shove them through it and replace them with something better. Piketty's work from the last decade, collected in *Chronicles: On Our Troubled Times*, throws into doubt democracy's redeeming and most essential quality: the ability to acknowledge mistakes and reform. He will be remembered, of course, for his masterpiece, **Capital in the Twenty-First Century**, which among its many virtues **explained in encyclopedic detail why the need for reform was urgent**. The limited equality of the mid-20th century was an aberration, Piketty demonstrated to the satisfaction of all except the wilfully blind. It was the product of progressive taxation and, somewhat less cosily, the destruction of the fortunes of the wealthy brought about by revolution and world wars. **We are now living in a new gilded age.** Not only do the children of the rich have the same advantages they possessed in the 19th century, but, in a modern twist, a new but equally undeserving class of "super managers" extract opulent "rewards" from their companies, which bear no discernible relationship to their less-than-super productivity or performance. Capital created something close to hysteria among conservatives. The economics editor of the Financial Times turned from a sober correspondent of an apparently serious newspaper into a flaming troll. He found a misprint here, a mistake there, as anyone could find in a book of almost 600 pages packed with data. He and his fellow conservatives added them up, made howlers of their own and concluded that far from being an oligarchy in the making, the rich had suffered calamitous falls in their income. No one believed them. I doubt if they believed themselves. You only had to see what was in front of your nose to know that Piketty was describing the world as it is. Conservatives' ideological motives were as easy to discern. Piketty showed a future where their received wisdom would be little more than pious falsehoods. Unearned wealth would trump individual effort. If you did what politicians told you to do, and "worked hard and played by the rules", the odds of you matching the unearned wealth of a plutocrat's child would remain so vast as to be close to incalculable. Speaking of trumping, the super-rich would have the funds to buy rightwing political leaders, or in the case of Donald Trump become leaders themselves. The ease with which they can be bought is already before us, as Piketty's analysis predicted. You see it in the willingness of conservatives in the US, Britain and France to reinforce the drive to oligarchy by cutting or abolishing inheritance taxes. It is easy to forget that the banking collapse and bailout of the most vulturous and inept "super managers" in the world provoked a crisis of legitimacy for free market conservatism. I hope I am not making a cheap point when I say that **the next crisis will reveal that many conservative thinkers and politicians have shamed themselves by doubling down on a failed ideology.** Chronicles is not a successor to Capital but a slim collection of Piketty's pieces from the French press. Beyond the pleasure of hearing his thoughts, there is a dismal fascination in watching his instant response to events, and then realising that so many of his sensible proposals got nowhere. Writing at the height of the banking crisis in 2008, **Piketty deemed three reforms necessary: shareholders and managers bailed out by the public must pay a price. Financial regulators must stop toxic assets being sold in markets with the same aggression their colleagues apply to dangerous foods and medical**

treatments. ("This will never be possible" while we leave $10tn of assets in tax havens.) And we must end "the obscene compensation packages of the financial sector which helped stimulate risk taking".

People don't even know.

Fitz, U. British Columbia, '16 (Nick Fitz is graduate student at the National Core for Neuroethics at the University of British Columbia."Economic Inequality: It's Far Worse Than You Think. The great divide between our beliefs, our ideals, and reality," March 31, 2015, http://www.scientificamerican.com/article/economic-inequality-it-s-far-worse-than-you-think/

In a candid conversation with Frank Rich last fall, **Chris Rock said,** "Oh, **people don't even know. If poor people knew how rich rich people are, there would be riots in the streets**." **The findings of three studies**, published over the last several years in Perspectives on Psychological Science, **suggest that Rock is right. We have no idea how unequal our society has become**. In their 2011 paper, Michael Norton and Dan Ariely analyzed beliefs about wealth inequality. They asked more than 5,000 Americans to guess the percentage of wealth (i.e., savings, property, stocks, etc., minus debts) owned by each fifth of the population. Next, they asked people to construct their ideal distributions. Imagine a pizza of all the wealth in the United States. What percentage of that pizza belongs to the top 20% of Americans? How big of a slice does the bottom 40% have? In an ideal world, how much should they have? The average American believes that the richest fifth own 59% of the wealth and that the bottom 40% own 9%. The reality is strikingly different. **The top 20% of US households own more than 84% of the wealth, and the bottom 40% combine for a paltry 0.3%. The Walton family, for example, has more wealth than 42% of American families combined.** We don't want to live like this. In our ideal distribution, the top quintile owns 32% and the bottom two quintiles own 25%. As the journalist Chrystia Freeland put it, "Americans actually live in Russia, although they think they live in Sweden. And they would like to live on a kibbutz." Norton and Ariely found a surprising level of consensus: everyone — even Republicans and the wealthy—wants a more equal distribution of wealth than the status quo. This all might ring a bell. An infographic video of the study went viral and has been watched more than 16 million times. In a study published last year, Norton and Sorapop Kiatpongsan used a similar approach to assess perceptions of income inequality. They asked about 55,000 people from 40 countries to estimate how much corporate CEOs and unskilled workers earned. Then they asked people how much CEOs and workers should earn. **The median American estimated that the CEO-to-worker pay-ratio was 30-to-1, and that ideally, it'd be 7-to-1. The reality? 354-to-1.** Fifty years ago, it was 20-to-1. Again, the patterns were the same for all subgroups, regardless of age, education, political affiliation, or opinion on inequality and pay. "In sum," the researchers concluded, "respondents underestimate actual pay gaps, and their ideal pay gaps are even further from reality than those underestimates." These two studies imply that our apathy about inequality is due to rose-colored misperceptions. To be fair, though, we do know that something is up. After all, President **Obama called economic inequality "the defining challenge of our time**." But while Americans acknowledge that the gap between the rich and poor has widened over the last decade, very few see it as a serious issue. Just five percent of Americans think that inequality is a major problem in need of attention. While the occupy movement may have a tangible legacy, Americans aren't rioting in the streets. One likely reason for this is identified by a third study, published earlier this year by Shai Davidai and Thomas Gilovich that suggests that our indifference lies in a distinctly American cultural optimism. At the core of the American Dream is the belief that anyone who works hard can move up economically regardless of his or her social circumstances. Davidai and Gilovich wanted to know whether people had a realistic sense of economic mobility. The researchers found Americans overestimate the amount of upward social mobility that exists in society. They asked some 3,000 people to guess the chance that someone born to a family in the poorest 20% ends up as an adult in the richer quintiles. Sure enough, people think that moving up is significantly more likely than it is in reality. Interestingly, poorer and politically conservative participants thought that there is more mobility than richer and liberal participants. According to Pew Research, most Americans believe the economic system unfairly favors the wealthy, but 60% believe that most people can make it if they're willing to work hard. Senator Marco Rubio says that America has "never been a nation of haves and have-nots. We are a nation of haves and soon-to-haves, of people who have made it and people who will make it." Sure, we love a good rags-to-riches story, but perhaps we tolerate such inequality because we think these stories happen more than they actually do. **We may not want to believe it, but the United States is now the most unequal of all Western nations. To make matters worse, America has considerably less social mobility than Canada and Europe**. As the sociologists Stephen McNamee and Robert Miller Jr. point out in their book, "The Meritocracy Myth," Americans widely believe that success is due to individual talent and effort. Ironically, when the term "meritocracy" was first used by Michael Young (in his 1958 book "The Rise of the Meritocracy") it was meant to criticize a society ruled by the talent elite. "It is good sense to appoint individual people to jobs on their merit," wrote Young in a 2001 essay for the Guardian. "It is the opposite when those who are judged to have merit of a particular kind harden into a new social class without room in it for others." The creator of the phrase wishes we would stop using it because it underwrites the myth that those who have money and power must deserve it (and the more sinister belief that the less fortunate don't deserve better). By overemphasizing individual mobility, we ignore important social determinants of success like family inheritance, social connections, and structural discrimination. The three papers in Perspectives on Psychological Science indicate not only that economic inequality is much worse than we think, but also that social mobility is less than you'd imagine. Our unique brand of optimism prevents us from making any real changes.

The War on Poverty created Social Security, Food Stamps, Economic Opportunity (since dismantled), and Elementary and Secondary School Act.

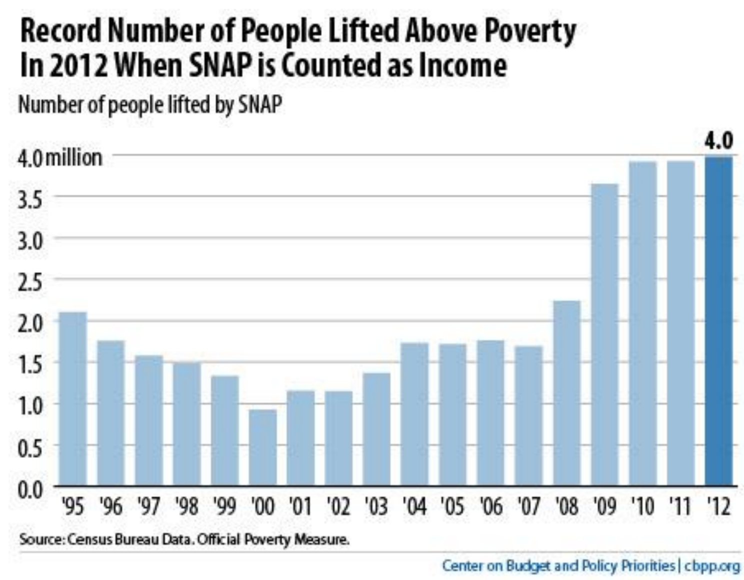
Dylan **Matthews of Washington Post, '14** (January 8, 2014, "Everything you need to know about the war on poverty," https://www.washingtonpost.com/news/wonk/wp/2014/01/08/everything-you-need-to-know-about-the-war-on-poverty/

Fifty years ago today, President Lyndon Johnson declared "unconditional war" on poverty. Depending on your ideological priors, the ensuing effort was either "a catastrophe" (Heritage's Robert Rector) or "lived up to our best hopes as a people who value the dignity and potential of every human being" (the White House's news release on the anniversary). Luckily, we have actual data on these matters which clarify what exactly happened after Johnson's declaration, and the role government programs played. Here's what you need to know. **The** term **"war on poverty"** generally refers to a set of initiatives proposed by Johnson's administration, passed by Congress, and implemented by his Cabinet agencies. As Johnson put it in his 1964 State of the Union address announcing the effort, "Our aim is not only to relieve the symptoms of poverty, but to cure it and, above all, to prevent it." The effort **centered around four pieces of legislation:** • **The Social Security Amendments of 1965, which created Medicare and Medicaid and also expanded Social Security benefits for retirees, widows, the disabled and college-aged students, financed by an increase in the payroll tax cap and rates. • The Food Stamp Act of 1964,** which made the food stamps program, then only a pilot, permanent. • **The Economic Opportunity Act of 1964, which established the Job Corps, the VISTA program, the federal work-study program and a number of other initiatives. It also established the Office of Economic Opportunity (OEO), the arm of the White House responsible for implementing the war on poverty and which created the Head Start program in the process. • The Elementary and Secondary Education Act, signed into law in 1965, which established the Title I program subsidizing school districts with a large share of impoverished students, among other provisions. ESEA has since been reauthorized, most recently in the No Child Left Behind Act**.

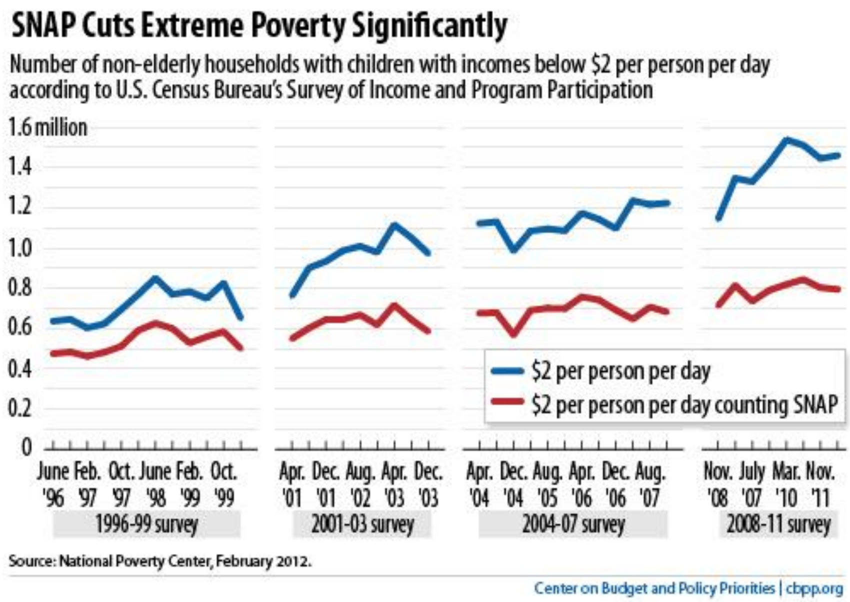
These pieces of legislation reduced poverty and point to additional possible actions.

Dylan **Matthews of Washington Post, '14** (January 8, 2014, "Everything you need to know about the war on poverty," https://www.washingtonpost.com/news/wonk/wp/2014/01/08/everything-you-need-to-know-about-the-war-on-poverty/

It did. A recent study from economists at Columbia broke down changes in poverty before and after the government gets involved in the form of taxes and transfers, and found that, when you take government intervention into account, poverty is down considerably from 1967 to 2012, from 26 percent to 16 percent: While that doesn't allow us to see how poverty changed between the start of the war in 1964 and the start of the data in 1967, the most noticeable trend here is that the gap between before-government and after-government poverty just keeps growing. In fact, without government programs, poverty would have actually increased over the period in question. Government action is literally the only reason we have less poverty in 2012 than we did in 1967. What's more, we can directly attribute this to programs created or expanded during the war on poverty. In 2012, food stamps (since renamed Supplemental Nutrition Assistance Program, or **SNAP) alone kept 4 million people out of poverty**:



And is even more important in fighting extreme poverty (that is, people living under $2 a day):



In fairness, SNAP isn't **the biggest anti-poverty program** on the books. That **would be Social Security**, also expanded by the war on poverty. **The Earned Income Tax Credit**, which **came a few decades after**, and other refundable credits are No. 2: **The impact of non-transfer programs such as Medicare, Medicaid and Job Corps on poverty is harder to measure, but what indications there are are promising. Amy Finkelstein and Robin McKnight have found that Medicare significantly reduced out-of-pocket medical expenditures for seniors, which increased their real incomes.** The Oregon Medicaid Study found that the program significantly reduces financial hardship for its beneficiaries, who, under Oregon's eligibility rules at the time, all fell below the poverty line. A randomized evaluation of the Job Corps found that it caused improvements on a variety of outcomes, most notably a 12 percent increase in earnings of participants but also reductions in rates of incarceration, arrest, and conviction. **Title I**, on the other hand, **is generally agreed to cause more equitable school funding allocations, but the evidence on its effects on student achievement is less promising**, with many evaluations finding no effect. A randomized evaluation of Head Start found that its effects faded out quickly, and many experts, notably James Heckman, are quite skeptical of the program's benefits. That said, other researchers, like Harvard's David Deming, have more positive evaluations.

…7. What more could we be doing now to fight poverty?

So many things! **We could expand existing working anti-poverty programs like Social Security, the Earned Income Tax Credit, the child tax credit and food stamps, or at least reverse recent cuts to the latter. We could, similarly, cut taxes on the working poor, perhaps by exempting the first $10,000 or so of a worker's earnings from payroll taxes, or by cutting down on the extremely high effective marginal tax rates which poor Americans face. We could adopt a still more dramatic transfer regime, such as a basic income or low-income wage subsidies. We could be investing in education, such as by scaling up successful pre-K pilots such as the Perry or Abecedarian experiments, or by expanding high-performing charter schools and having traditional public schools adopt their approaches. We could raise the minimum wage, which all researchers find reduces poverty**.

Bernie Sanders has brought exposure, but he won't win and the policies we need to address poverty are unlikely.

Larry Schwartz, '15 (of Alternet, Salon, Jul 15, 2015 01:15 PM EST "35 soul-crushing facts about American income inequality The money given out in Wall Street bonuses last year was twice the amount all minimum-wage workers earned combined" http://www.salon.com/2015/07/15/35_soul_crushing_facts_about_american_income_inequality_partner/

While Hillary Clinton occasionally gives some lip service to the problem of extreme inequality, **Bernie Sanders is the only candidate really hammering away at it.** He has even blasted the orthodoxy of economic growth for its own sake, saying according to Monday's Washington Post that unless economic spoils can be redistributed to make more Americans' lives better, all the growth will go to the top 1% anyway, so who needs it? Sanders might know his history, but the rest of the candidates could use a little primer. The United States was not always the most powerful nation on Earth. It was only with the end of World War II, with the rest of the developed world in smoldering ruins, that America emerged as the free world's leader. This coincided with the expansion of the U.S. middle class. With the other war combatants trying to recover from the destruction of the war, America became the supermarket, hardware store and auto dealership to the world. Markets for American products abounded and opportunity was everywhere for American workers of all economic means to get ahead. America had a virtual monopoly on rebuilding the world. Combined with the G.I. Bill of 1944, which provided money for returning veterans to go to college, and government loans to buy houses and start businesses, the middle class in America boomed, as did American power, wealth and prestige. Between 1946 and 1973, productivity in America grew by 104 percent. Unions led the way in assuring wages for workers grew by an equal amount. **The 1970s**, however, **brought a screeching halt to the expansion of the American middle class**. The Arab oil embargo in 1973 marked the end of cheap oil and the beginning of the middle-class decline. The Iranian Revolution in 1979, with more resultant oil instability, combined with the rise of Ronald Reagan's conservative revolution at home, accelerated the long and painful contraction of the middle class. **Cuts in corporate taxes, stagnant worker wage growth, the right-wing war on unions, and corporate outsourcing of work overseas greased the wheels of the middle-class decline and the upper-class elevation. Cuts in taxes on the wealthy, under the guise of trickle-down economics, have resulted in lower government revenue and cuts to all kinds of services. All of which has led to today, an era of national and international inequality unparalleled since the days of the Roaring '20s**.

> **Here are 35 astounding facts about inequality** that will fry your brain.
>
> **1. In 81 percent of American counties, the median income, about $52,000, is less than it was 15 years ago. This is despite the fact that the economy has grown 83 percent in the past quarter-century and corporate profits have doubled.** American workers produce twice the amount of goods and services as 25 years ago, but get less of the pie.
> **2. The amount of money that was given out in bonuses on Wall Street last year is twice the amount all minimum-wage workers earned in the country combined.**
> **3. The wealthiest 85 people on the planet have more money that the poorest 3.5 billion people combined.**
> 4. The average wealth of an American adult is in the range of $250,000-$300,000. But that average number includes incomprehensibly wealthy people like Bill Gates. Imagine 10 people in a bar. When Bill Gates walks in, the average wealth in the bar increases unbelievably, but that number doesn't make the other 10 people in the bar richer. The median per adult number is only about $39,000, placing the U.S. about 27th among the world's nations, behind Australia, most of Europe and even small countries like New Zealand, Ireland and Kuwait.
> 5. Italians, Belgians and Japanese citizens are wealthier than Americans.
> **6. The poorest half of the Earth's population owns 1% of the Earth's wealth. The richest 1% of the Earth's population owns 46% of the Earth's wealth**.
> **7. More locally, the poorest half of the US owns 2.5% of the country's wealth. The top 1% owns 35% of it.**
> 8. Inequality is a worldwide problem. In the UK, doctors no longer occupy a place in the top 1% of income earners, London plays host to the largest congregation of Russian millionaires outside of Moscow, and also houses more ultra-rich people (defined as owning more than $30 million in assets outside of their home) than anywhere else on Earth.
> **9. The slice of the national income pie going to the wealthiest 1% of Americans has doubled since 1979.**

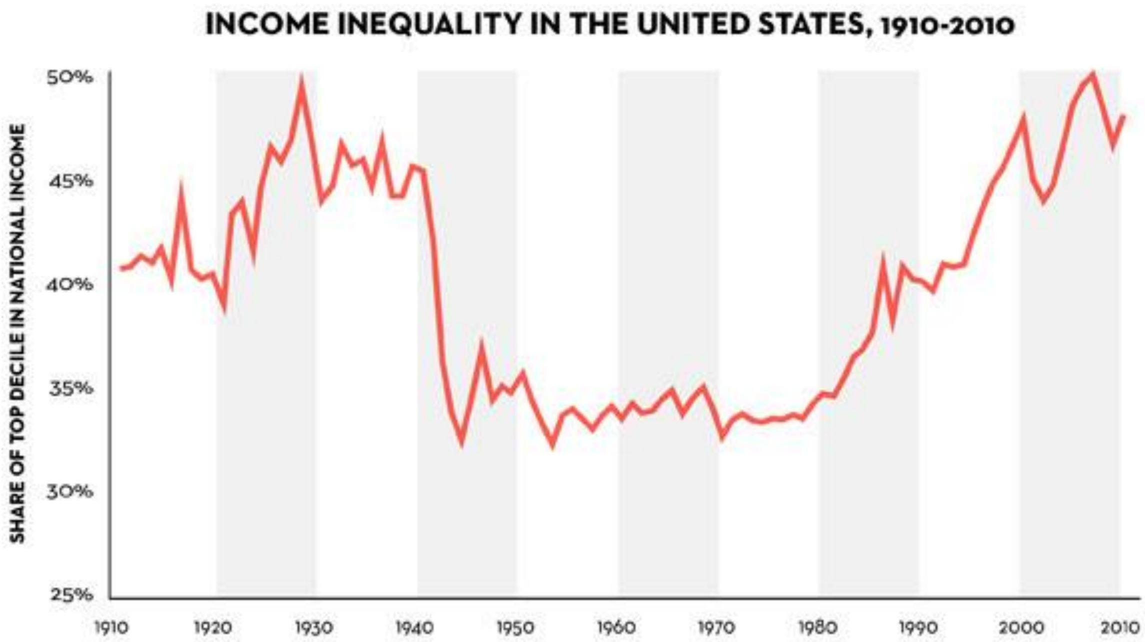
10. The 1% also takes home 20% of the income. This figure is the most since the 1920s era of laissez faire government (under Republicans Warren Harding, Calvin Coolidge and Herbert Hoover).
11. The super rich .01% of America, such as Jamie Dimon, CEO of JP Morgan, take home a whopping 6% of the national income, earning around $23 million a year. Compare that to the average $30,000 a year earned by the bottom 90 percent of America.
12. **The top 1% of America owns 50% of investment assets (stocks, bonds, mutual funds). The poorest half of America owns just .5% of the investments.**
13. The poorest Americans do come out ahead in one statistic: the bottom 90% of America owns 73% of the debt.
14. Tax rates for the middle class have remained essentially unchanged since 1960. **Tax rates on the highest earning Americans have plunged from an almost 70% tax rate in 1945 down to around 35% today. Corporate tax rates have dropped from 30 percent in the 1950s to under 10 percent today.**
15. **Since 1990, CEO compensation has increased by 300%. Corporate profits have doubled. The average worker's salary has increased 4%. Adjusted for inflation, the minimum wage has actually decreased.**
16. CEOs in 1965 earned about 24 times the amount of the average worker. In 1980 they earned 42 times as much. Today, **CEOs earn 325 times the average worker**.
17. **Wages, as a percent of the overall economy, have dropped to an historic low**.
18. **In a study of 34 developed countries, the United States had the second highest level of income inequality, ahead of only Chile**.
19. Young people in the U.S. are getting poorer. **The median wealth of people under 35 has dropped 68% since 1984. The median wealth of older Americans has increased 42%**.
20. **The average white American's median wealth is 20 times higher ($113,000) than the average African American ($5,600) and 18 times the Hispanic American ($6,300)**.
21. America's highest incomeinequality is located in the states surrounding Wall Street (New York City) and the oil-rich states.
22. Since 1979, high school dropouts have seen median weekly income drop by 22 percent. Ethnically, the highest dropout rates are among Hispanic and African American children.
23. In 1970, a woman earned about 60% of the amount a man earned. In 2005 a woman earned about 80% of what a man earned. Since 2005, there has been no change in that figure. **African-American women earn just 64% of what a white male earns, and Hispanic women just 56%.**
24. **Over 20 percent of all American children live below the poverty line. This rate is higher than almost all other developed countries.**
25. Union membership in the US is at an all-time low, about 11% of the workforce. In 1978, 40 percent of blue-collar workers were unionized. With that declining influence has come a concurrent decline in the real value of the minimum wage.
26. **Four hundred Americans have more wealth, $2 trillion, than half of all Americans combined. T**hat is approximately the GDP of Russia.
27. In 1946, a child born into poverty had about a 50 percent chance of scaling the income ladder into the middle class. In 1980, the chances were 40 percent. A child born today has about a 33 percent chance.
28. Despite massive tax cuts, corporations have not created new jobs in America. The job creators have been small new businesses that have not enjoyed the same huge tax breaks.
29. More than half of the members of the United States Congress, where laws are passed deciding how millionaires are taxed, are millionaires.
30. Twenty five of the largest corporations in America in 2010 paid their CEOs more money than they paid in taxes that year.
31. **In the first decade of the 21st century, the U.S. borrowed $1 trillion in order to give tax cuts to households earning over $250,000.**
32. In 1970, there were five registered lobbyists working on behalf of wealthy corporations for every one of the 535 members of Congress. Today there are 22 lobbyists per congressperson.
33. **In 1962, the 1% household median wealth was 125 times the average median wealth. In 2010 the divide was 288 times**.
34. During the Great Recession, the average wealth of the 1% dropped about 16 percent. Meanwhile the wealth of the 99% dropped 47 percent.

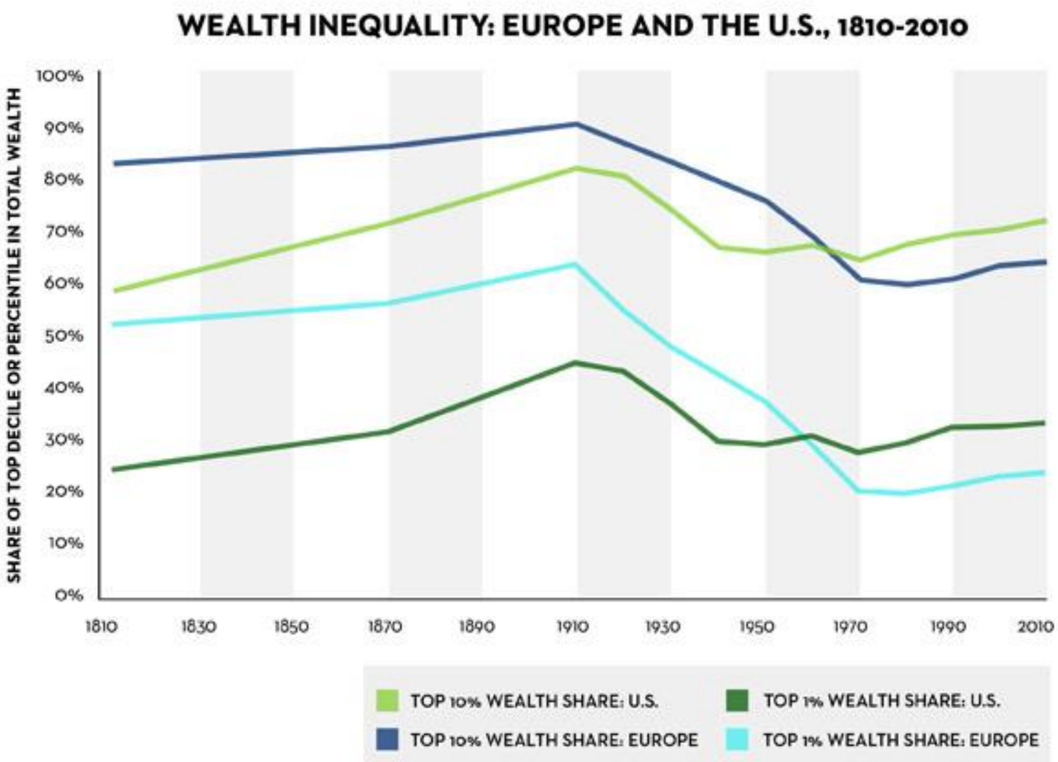
35. **Between 1979 and 2007, the wages of the top 1% rose 10 times more than the bottom 90 percent**.

A few charts to add to the explanation of the controversy area…

John Cassidy, '14 (March 26, 2014, Piketty's Inequality Story in Six Charts http://www.newyorker.com/news/john-cassidy/pikettys-inequality-story-in-six-charts)

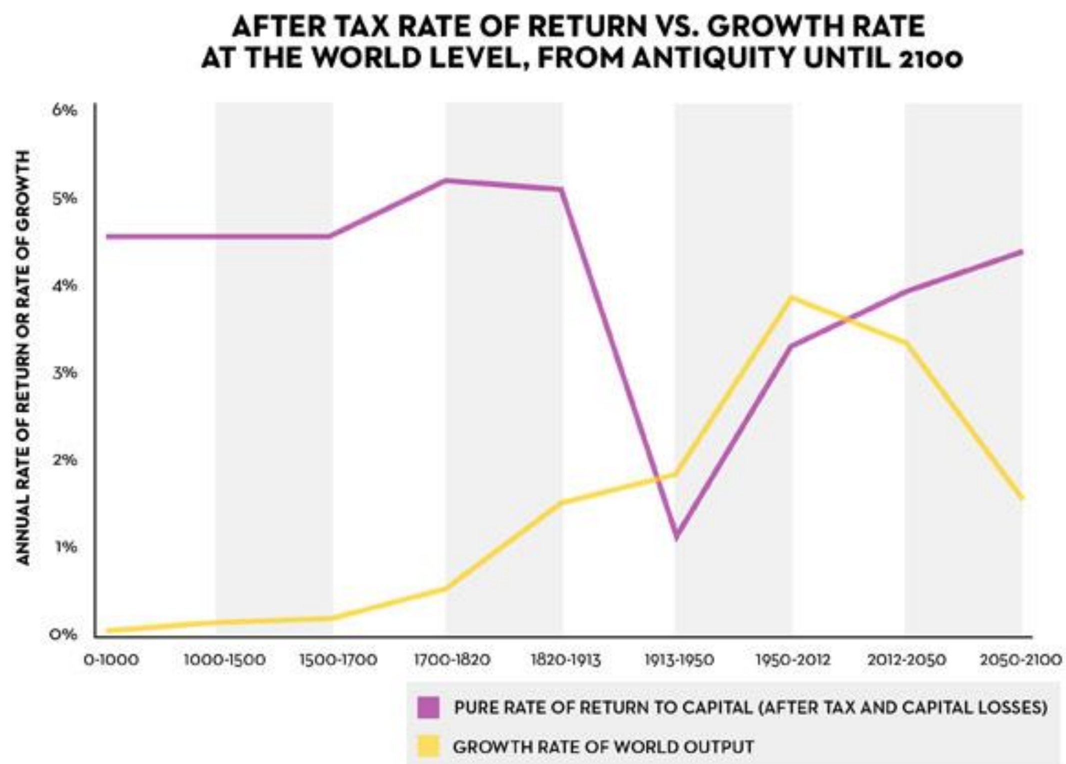
…The Piketty group didn't invent this way of looking at things. Other economists, such as Ed Wolff, of New York University, and Jared Bernstein and Larry Mishel, the creators of the invaluable State of Working America series, have long used similar charts and tables in their publications. But partly by using new sources of data, such as individual tax records, and partly by expanding the research to other countries, Piketty and his colleagues have deployed their charts to reshape the entire inequality debate. For a long time, that debate was almost entirely focused on what was happening to median incomes. That inevitably led to discussions of globalization, skill-biased technical change, and policies focused on education and retraining. Now, thanks to Piketty et al., the remarkable gains of those at the very top can't be avoided. And this means that the issues of politics and redistribution can't be avoided either. The first chart is a simple one, and it concerns the United States alone. It tracks the share of over-all income taken by the top ten per cent of households from 1910 to 2010. Broadly speaking, it's centered on a U shape. Inequality climbed steeply in the Roaring Twenties, and then fell sharply in the decade and a half following the Great Crash of October, 1929. From the mid-forties to the mid-seventies, it stayed pretty stable, and then it took off, eventually topping the 1928 level in 2007. (The chart shows the share of the top decile falling back a bit after the financial crisis of 2007 to 2008. New figures for 2012 from Saez, which came out too late to be included in Piketty's book, show the line hitting another new high, of more than fifty per cent.)





The last chart is a bit different. It concerns Piketty's theory that capitalism has a "central contradiction": when the rate of return on capital exceeds the rate of economic growth, inequality tends to rise. (That's because profits and other types of income from capital tend to grow faster than wage income, which is what most people rely on.) The purple line shows Piketty's estimate of the rate of return on capital at the world level going back to antiquity and forward to 2100. The yellow line shows his estimate of the global growth rate over the same period.

The important point to note is this: setting aside the period from the late nineteenth century to the early twenty-first century, which is roughly what we would call modernity, the growth rate has been below the rate of return, implying steadily rising inequality. The twentieth century, far from representing normality, was a historic exception that is unlikely to be repeated, Piketty argues. In the coming decades, he says, the growth rate will most likely fall back below the rate of return, and the "consequences for the long-term dynamics of the wealth distribution are potentially terrifying."



Charts adapted from the originals in Thomas Piketty's "Capital in the Twenty-first Century."

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[i] Although I prefer the anti-racism topic for 2016-17 with the labor topic right behind that, this would be an amazing issue to explore this season. I will do what I can to make these three topic papers available for consideration for the college community each year. Race, labor, and poverty are absolutely crucial issues to debate. Policy debate is the most rigorous debate format available with the greatest attention to research and argumentation backed by evidence. Because of the research emphasis and the fact that debating one topic across the season differentiates policy debate from other formats, the policy debate community should pride itself on deep controversial questions, comprehensive research platforms, and heavily scrutinized wordings. Topic papers matter (even if the topic is not central in every single debate).

[ii] Also see: Vivekinan **Ashok**, Ilyana **Kuziemko, and** Ebonya **Washington, from Yale, Princeton, and Yale respectively, '15** ("Support for Redistribution in an Age of Rising Inequality: New Stylized Facts and Some Tentative Explanations" *Brookings Papers on Economic Activity*, Spring 2015, pp. 367-433)