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GOVERNMENT AND THE RICH: A NATIONAL WEALTHFARE SYSTEM

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INTRODUCTION

The poor in American society are among the most studied, probed, prodded and analyzed groups in recent history. Still no solution for poverty has been found. From the New Deal through the War on Poverty, to today's guaranteed annual income proposals, the poor continue to be a burden for American taxpayers. Public welfare rolls, expensive and ineffectual, are on the increase, and straining the pocket of the American middle-class. Yet little attention is paid to how economic inequality is perpetuated even though both middle and lower class Americans are affected. In the following pages, federal aid for the poor is contrasted to "wealthfare" programs for the rich. We will see how government protection and subsidization of investments and tax laws favorable to the rich contribute to perpetuating a widening gap between America's economic elite and her working classes.

GOVERNMENT AND THE POOR

It's interesting the way we think about poor people. When America was young, it was all right to be poor—so long as it wasn't a permanent condition. Ours was a pioneer nation offering opportunity in her blooming cities, expanding industry and jobs. You found a job and began the ascent up America's dream ladder; but individuals remaining poor, or unemployed, were often cast aside. The poor have often been characterized as different, unmotivated, and happy to wallow in the mire of urban ghetto life. Edward Banfield's description of the poor typifies the hostility reserved for persons unable to climb above poverty by America's middle and upper classes.

> The lower-class individual lives in the slum and sees little or no reason to complain. He does not care how dirty and dilapidated his housing is either inside or out, nor does he mind the inadequacy of such public facilities as schools, parks, and libraries: indeed, where such things exist he destroys them by acts of vandalism if he can. Features that make the slums repellent to others actually please him.[1]

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tration of seeking public welfare assistance and unemployment benefits. Yet, at any moment, one out of every five American welfare recipients is a person who has lost his job due to economic fluctuation and has a family to feed. And recessions drive even larger numbers of workers into the jaws of welfare bureaucracies.

At the same time America's faithful legions of white-collar workers and skilled blue-collar workers have high salaries, insurance programs, personal savings, and unions which make economic disaster less plausible. Consequently, during periods of rapid economic growth middle Americans are afforded security and comfort; the poor receive terminal, exploitative jobs, and occasional financial and psychological insecurity.

These differentials in comfort and security—power and privilege—between middle and lower class workers, in large part explain the mutual animosity, even hatred, they sometimes share for one another —especially when the poor are dark-skinned which they disproportionately are. Because black Americans, even though they are a relatively small segment of the population, are heavily represented on welfare rolls, in unemployment lines, prisons and other "assistance" programs, they are frequently the recipients of anglo middle-class animosity directed toward the poor in general. Anglo anti-black contempt is eloquently expressed by the nineteenth century northern mayor who told a committee of black parents that

> ... I propose to keep the niggers out of school with white children ... I don't care where they live, but I will keep them out of the schools with the White children of ________ if I have to use every policeman I have got in the city to do it.[2]

But American class antipathy over scarce rewards—whether money, jobs, health, or freedom—was not onesided; blacks were capable of hating for the same reasons. Michael Harrington, for example, reflects on his experiences with black America's hatred and fear of the White man in his classic description of Harlem.

> There is, on the very surface of Harlem life, the imminence of the Man. The Man is white. He has many guises: as policemen, as judge, as rent collector —as authority made tangible He is to be feared and hated, for the law is especially swift and hard upon the crimes and vices that grow within these crowded, littered streets. Ultimately he becomes anyone with a white skin. ("Offay," the old Negro slang term for a white, is foe in pig latin.) Because of this, Harlem is a place that is suspicious of all outsiders from the world of white America. It is stunted and sick, and the bread of its poverty has the taste of hatred and fear ... Harlem, for all its brashness, for all the ubiquitous rhythms of rock 'n' roll, is afraid. And for good reason. The white has been the Man, and in many cases he still is.[3]

W. J. Cash, writing about the post Civil War South saw conflict between working whites and poor blacks as a long bloody battle—but over the two bottom rungs of America's economic and social ladder.[4] He noted working whites, poor themselves from infancy, are taught that poverty is a dreaded disease. But there is nothing so soothing to them as the knowledge that there is another group which is doing even more poorly. Cash saw wealthy and powerful southerners taking advantage of this situation to promote conflict between skilled working whites and poor blacks, thus keeping the working folk and the poor embroiled in mutual hatred and conflict—and unaware of the huge gulf between rich and all working people in the United States.

Cash, however, believed that working white and poor black Americans had much in common and could fare far better by banding together in the pursuit of the American Dream. But the principles of freedom, and egalitarian reform were clouded by skirmishes between America's standing army of educated and skilled workers and the poor, leaving the wide gap between rich and worker in American society unchallenged.

Few times in the history of societies has an elite class constructed a system of social and economic covenants so able to protect wealth while promoting "controlled conflict" among the masses. The power of the rich is deeply rooted in two traditional American structures—welfare and wealthfare—and merit closer scrutiny if we are to completely understand the difference between America's poor and privileged.

AN AMERICAN DILEMMA: THE WELFARE SYSTEM

The rich and working poor do not possess equal ability to guarantee themselves financial and social security, even though each has sought help through the federal government and each has received government favors in return. Because the poor are unorganized and are an unproductive source of political contributions, the government accords them relatively few favors.

Due to a relatively robust economy of recent years, white-collar workers have been able to readily market their cerebral skills for high rewards; Blue-collar laborers, aided by strong unions, have also been able to keep wages at a comfortable level and garner many rights to medical attention, retirement and leisure. But for millions of other workers—unskilled and unorganized—government protection extends only to the guarantee of a minimum wage, if work is available. Presently, America's working poor are guaranteed a minimum wage of two dollars per hour. This means if a head of a family works 40 hours per week, long considered the norm, he/she could earn eighty-dollars per week, before taxes. It should come as no surprise then, that in 1974 over

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8 million families received costly public welfare assistance, and 1 in 4 were headed by persons working full-time but who could not provide basic necessities for their families.[5] Thus minimum wage protection for these unskilled and unorganized workers guarantees only their right to slide into depths of hunger and poverty slower than persons who cannot find work at all.

For the unemployed and physically incapable, a federal system of public welfare agencies was constructed. Federal public welfare is a subject much too large to discuss in this paper, but a brief review of the fleeting Nixon administration's Family Assistance Plan, advertised in 1971 as welfare *reform*, should be of interest. The Nixon Plan would have given an unemployed family of four an income guarantee, including food stamps, of $2,500 per year. Put another way, this reform proposal would have allowed America's unemployed poor the opportunity to live on less than one-half of what the Department of Labor established as bare subsistence expenses ($5,500 to $6,000) for a family of four in the same year. Such government interest in guaranteeing welfare and opportunity for unemployed poor persons makes minimum wage legislation look radically progressive. But even this austere proposal attracted a hail of conservative backlash, warning of national inflationary risks and asserting that helping the poor could shatter the delicate economic position of middle America in the labor market. Such arguments for the maintenance of inequality create the general illusion that there is no fat in America's economic system. We are asked to believe that poverty exists because of differentials in motivation, skill and talent between the poor and middle classes and because giving more to the poor requires taking more from the working middle classes.

But what about taking from the rich? The government has ignored a promising source of revenue for the fight against inequality promised by our Constitution. In the following section we will explore federal wealthfare programs for affluent persons and suggest an inexpensive, conservative, new program, which would diminish the influence of government in our personal lives, and initiate a natural process of income redistribution.

ANOTHER AMERICAN DILEMMA: THE WEALTHFARE SYSTEM

In this section we will explore how *wealthfare* in the United States, directly and indirectly, maintains many current patterns of inequality. Because it is frequently difficult to distinguish between rich persons and large corporations, wealthfare is much harder to study than traditional welfare structures. Even though they are extremely difficult to isolate and analyze, however, two basic types of wealthfare structures can be identified: government contributions in the economic marketplace, and government tax contributions.

The Government and the Marketplace

Through defense and civilian spending, purchases by the federal government dominate many sectors of the marketplace. In fact it often becomes difficult to differentiate between necessary spending and subsidies for the rich. For example, in some instances the magnitude of government expenditures with corporations—such as Lockheed, Lem-Tempco-Vought, General Dynamics, and North American Rockwell—is so large that it totally eliminates competition in the marketplace. When the federal government becomes the principle source of economic support for such large corporations, they are relieved from much of the risk involved with doing business in a "free marketplace" where open competition sets prices and determines corporate success or failure. While corporations listed below are extensively involved with free market competition, they also hold government contracts of sufficient magnitude that, should this form of wealthfare be eliminated, their attractiveness as investments for wealthy stockholders would be seriously diminished. Corporations receiving at least partial market wealthfare include: Bendix, Boeing, General Electric, General Telephone, General Tire, IBM, Kaiser, Litton, Pan American, RCA, Sperry-Rand, and Westinghouse.

That the federal government does large amounts of business with a select few corporations is only important because they are, in large part, owned by wealthy stockholders. Is it free enterprise to insure some economic structures against failure while promoting competition between others? This affair between government and big business is also important because it promotes bureaucratic inefficiency and waste. The largest corporations, cushioned by government cost overrun allowances, have little need to maintain peak efficiency. They are their own competition.

But that is not to say big business fails to contribute to the smooth functioning of society by taking care of its workers. First, the government, especially through Defense contracts, employs large numbers of highly educated and skilled workers. This means that as long as the economy is robust these professional and managerial personnel are paid high salaries and afforded privilege. Second, government subsidized corporations employ millions of blue and white collar workers, whose income and work loads are negotiated via union contract. Thus, for blue

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The government also provides wealthfare by regulating market prices of dairy and agricultural goods, among others. In general, this is done by (a) regulating the ratio of supply to demand; and (b) directly controlling prices. In setting import-export quotas and regulating United States production levels the government controls the ratio of supply to demand of goods in the marketplace. This means that agricultural and dairy corporations, and food processing corporations, are protected from having the price of their products set by "uncontrolled" supply and demand. Similarly when the government directly regulates prices of goods and services they can be set above or below what normal supply and demand would dictate. If prices are regulated above normal market levels agricorporations take their profits out of the pockets of middle and lower America. If prices are controlled below normal market levels, the government provides cash subsidies "to make up the difference." Unfortunately American workers pay for these corporate subsidies by shouldering the higher prices of an artificial marketplace. This is most serious for the poor, however, who receive no corporate compensatory benefits. But for wealthy owners of agricorporations, it pays to be rich, because government wealthfare market programs subsidize the rich by forcing the poor to pay more. But market wealthfare is minute compared to the misuse of federal taxes. In the next section we will review wealthfare in the federal tax system.

Wealthfare Through Taxes

We have argued in previous sections that "the rich" and "corporation" are nearly synonymous terms in the United States. In this section, where we observe the marriage between wealthfare tax laws and corporate structures, it is essential that this point be briefly reaffirmed. In Table 1 we see that in the mid-1960's, 97% of the individually held corporate stock in America was owned by persons in the top income fifth. In fact, 86% of all stock is owned by the wealthiest 5% of the population. This data suggests that while it is possible for everyone in the United States to own a "piece of the rock," the rich control its corporate boulders. Consequently the rich are in an extremely favorable position to benefit from the $65 to $77 billion in federal and state taxes which flow yearly to large corporations and individuals.[6]

Also of interest is the federal government's original intentions regarding taxation. Because of the unavoidable discontent which comes from paying taxes in any form, the principles of progressivity and fair-

TABLE 1
Proportion of Corporate Stock
Owned by Income Groups

Income Group	% of Individually Held Corporate Stock
Top 20%	97%
Top 5%	86%
Top 1%	62%
Middle 60%	3%
Bottom 20%	Under 1%

Source: Edward C. Bud, ed., *Inequity and Poverty*, New York: W.W. Norton, 1967, p. xxii.

ness have long been championed in America's legislatures. The *principle of progressivity* asserts that the larger the income and property of an individual, the greater the tax burden he should bare. This principle was not intended to equalize income in America, only that those with more wealth should pay a larger portion in taxes. Within the 10th Amendment of the federal Constitution is found the *"doctrine of fairness,"* which states that, whatever the source of income, *all* dollars must be subject to taxation.

As Table 2 indicates, something has gone awry in applying these principles, to state, local and social security taxes. Even though these taxes are supposed to be guided by the principles of progressivity and

TABLE 2
Percentages of Income Paid Out in Various Taxes for 1968

Total Family Income	Social Security Tax*	State and Local Taxes		
		State	Property	Total
Under $2,000	7.6%	6.6%	16.2%	27.2%
$2,000-$4,000	6.5%	4.9%	7.5%	15.7%
$4,000-$6,000	6.7%	4.1%	4.8%	12.1%
$6,000-$8,000	6.8%	3.6%	3.8%	10.7%
$8,000-$10,000	6.2%	3.3%	3.6%	10.1%
$10,000-$15,000	5.8%	2.9%	3.6%	9.9%
$15,000-$25,000	4.6%	2.4%	3.6%	9.4%
$25,000-$50,000	2.5%	1.8%	2.7%	7.8%
Over $50,000	1.0%	1.1%	2.0%	6.7%

Source: Philip M. Stern, *The Rape of the Taxpayer*, New York: Random House, 1972, p. 24.

fairness, the more income and assets individuals have, the smaller the proportion of taxes they pay. In fact, the opposite is true, with lower income groups paying proportionately more state and local taxes than the rich. Just how the doctrines of fairness and progressivity have been turned against the poor is not known. The necessary data on state and local patterns of taxation are not available at this date. But Table 2 clearly indicates that taxation is not based on one's ability to pay.

However, data on federal patterns of income taxation are available. In theory, federal income taxes are extremely progressive, requiring that persons in the highest income brackets return to the government up to 70% of their earnings. Such wealthy individuals can do much better by investing their assets in corporate stock, since all corporations pay 48% on income. But in either case, taxes are computed on what is left (net income) after expenses incurred in generating the income are subtracted. Through this provision the government has contributed to the traditional balance of inequality in American society.

Over the years the rich have been able to create a large number of legitimate expenditures—frequently generating high profits and new wealth without excessive risk—which may be deducted from their gross incomes, thereby shrinking the portion of their income subject to taxation. Thus, a key to understanding inequality in America lies in untangling the web of "legitimate" expenses which protect the rich from taxation. It is through these provisions that the principles of progressivity, fairness and competition are melted into covenants of power and privilege.

Tax Law Loopholes

To understand more clearly how the rich shrink taxable income, we will briefly examine four basic types of legal maneuvers:[7] (1) exclusions from gross income; (2) deductions from gross income; (3) tax credits; and (4) special tax rates. It is through these complex legal maneuvers that the federal government gives wealthfare to the rich, without provoking rage and indignation in the general public.

(1) *Exclusions and Exemptions from Income.* Simply put, this means that the federal government allows persons to exclude certain types of income from taxation, even though this violates the spirit of the Constitution's "doctrine of fairness." The provision is especially helpful for salaried persons who receive "fringe benefits" like expense accounts, optional stock purchase plans, foreign income, sick pay and employers contributions to medical insurance, social security and retirement. Because fringe benefits are not taxable, such advantaged

salaried persons are able to shrink their taxable income, while still enjoying the benefits of their real income.

Persons and corporations, when acting as investors, are allowed several other lucrative income exclusions. Among others, interest on life insurance investments, interest earned on state and local bonds, and the first $100 made on stock dividends are considered "non-taxable income." Even persons receiving welfare, unemployment, and social security profit from this rich bonanza, since these benefits are also excluded from taxation. If these exclusions are viewed as income tax not reaching the government, they comprise approximately one-third of the total federal tax budget. In other words, many dollars earned in America, are not taxed and, as we will see, most of these belong to persons in the upper income fifth.

(2) *Deductions from Gross Income.* Another way of shrinking taxable income is by incurring expenses which, according to federal law, may be deducted from gross income. Many such expenses are legitimate because they are necessary in order to make profits. But like many tax expenditures by the federal government, the number of "allowable" deductions has increased to the point that it is difficult to distinguish between legitimate expenses and wealthfare loopholes.[8]

For America's working middle class, federal tax laws provide a handful of deductions which reduce gross income. Minimally, workers are allowed exemptions or exclusions for each member of the family whom they are financially supporting. In addition middle-class workers are allowed to deduct the following common expenses from their income: medical expenses; interest paid on debts; and moving costs incurred when changing employment.

But for the relative handful of persons wealthy enough to become "investors," deductions may be used to protect, or "shelter," large sums of money which might otherwise be considered income, and thus taxed accordingly. While an exhaustive treatment of the utility of deductions for sheltering otherwise taxable income is too complicated for this paper, our considering two examples of these methods should highlight yet another form of wealthfare. First, according to current tax laws, one-half of any profit made from investments or selling assets (capital gains) can be deducted from the individual's gross income, thus totally eliminating taxpaying responsibility for one-half of investors' incomes. For the remaining 50% of income from capital gains the government provides a special tax rate which is approximately one-half that of conventionally earned income. Second, investments of many types may be "depreciated" at an accelerated rate and deducted from gross income. For example, persons wealthy enough to invest in oil, cattle, orchards,

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and real estate, to name only a few, do not have to wait for such items to totally lose their value before deducting them from income. Instead they are allowed to deduct a certain amount, for depreciation on the initial investment, each year, regardless of whether or not the actual value of the investment is deteriorating at the same pace. If depreciation allowances were actually related to the death rate of investments, a relatively small amount would be deducted from the investors income over each year of the *actual* life of the property. Instead depreciation may be accelerated, allowing the wealthy to shelter from taxation portions of annual income which are in no way related to the particular investment. When investments have been totally depreciated, usually far in advance of their actual deterioration, the rich move on to new investments—using money protected from taxation.

Corporations regularly utilize accelerated depreciation allowances to purchase new equipment, thus protecting large quantities of income from taxes. In addition, corporations are allowed special deductions (through short-term amortization) when investing in coal mining, on-the-job training, pollution control, safety equipment, and employer child care.[9] Added to large income exemptions (in the form of depletion allowances), oil corporations and other similar companies may also make accelerated deductions from gross income for depleting resources (oil wells, property, equipment, etc.). For example, this provision allows oil corporations to deduct from their gross income large sums of money in the first few years of the life of a well for actual deterioration which will not occur for many years to come. This tax wealthfare loophole allows large oil corporations to artificially hide billions of dollars of annual income from taxation.

Finally, for individuals and corporations, expense accounts, entertaining prospective clients, travel, and many other expenses can be deducted from gross income—if they are involved with running a business. Like other forms of deduction from income, real business expenses and wealthfare provisions are difficult to distinguish from each other. But deductions from income are only distantly related to the costs of doing business and, as we shall soon see, comprise a multi-billion dollar a year wealthfare payment to the rich.

(3) *Tax Credits.* Other tax laws provide for allowing persons or corporations credits for income from certain sources. For example, the government allows retired persons credits of up to $1,524 for single persons and $2,286 for married couples against their income. Similarly, corporations purchasing new machinery are allowed to subtract from income 7% of the cost of the machinery. But this form of tax subsidy is less frequently used than the others because: (a) it is obvious and may

be understood as wealthfare by the general population; and (b) the advantage of tax credits does not increase as one moves into higher income brackets. Consequently, tax credits for the rich are highly visible and risky, and are not as profitable for the rich as several other forms of wealthfare.

(4) *Special Tax Rates.* While many types of income are taxed at a lower rate, capital gains is the most costly example of a special tax rate. Capital gains realized by individuals is the profit made from liquidating some investment or asset like real estate, stocks or machinery. To encourage business investment and the profit motive, federal law allows individuals to exclude one-half of all capital gains from taxation. Of the remainder, the first $50,000 profit may be taxed at a rate not to exceed 25%, and no more than 35% for sums over $50,000. Capital gains earned by corporations are also taxed at favorable rates, but determination of the precise rate varies greatly.

If special tax rates, including capital gains provisions, were allowed for all classes of persons in society, it would be difficult to criticize the tax laws. But, as Table 3 indicates America's working classes are almost totally excluded from enjoying artificial profits through capital gains loopholes. In fact few but the most wealthy individuals experience capital gains and only for the richest does it become a principle source of income. In other words, through capital gains laws the rich are afforded a special tax rate and thereby subsidized by the poor.

Table 4 demonstrates the average wealthfare payment through capital gains for families of different income groups.[10] These data further confirm our argument that the government provides subsidies for the rich that make it unlikely they will ever become poor. Capital gains loopholes are the principle source of wealthfare from the government.

Wealthfare For Whom?

It would be absurd to argue that wealthfare is the only mechanism in American society which sustains inequality. This would belie the perva-

TABLE 3

Percentages of Capital Gains Income for Different Income Levels

Selected Income Groups	% of Individuals Who Have Capital Gains Income	Percent of Their Total Income from Capital Gains
Under $5,000	4.5%	1.9%
$10,000-$25,000	14.0%	2.4%
$50,000-$100,000	55.3%	15.6%
$1,000,000 and over	90.9%	82.1%

TABLE 4

Wealthfare Payments from Capital Gains for Selected Income Groups

Income Level	Capital Gains Wealthfare Payment
$3,000- 5,000	$1
$5,000- 10,000	$8
$15,000- 20,000	$55
$20,000- 25,000	$120
$100,000- 500,000	$23,000
$500,000-1,000,000	$165,000
Over 1 million	$641,000

Source: Stern, 1972, p. 94.

TABLE 5

Average Yearly Wealthfare Payment in 1972 for Selected Income Groups

Income Groups	Average Payment
Under $3,000	$15.00
$3,000-$5,000	$143.00
$5,000-$10,000	$286.00
$10,000-$15,000	$411.00
$15,000-$20,000	$600.00
$20,000-$25,000	$871.00
$25,000-$50,000	$1,729.00
$50,000-$100,000	$5,896.00
$100,000-$500,000	$29,503.00
$500,000-1 million	$216,751.00
1 million and over	$726,198.00

Source: Stanley S. Surrey, *Pathways To Tax Reform*, Cambridge, Massachusetts: Harvard University Press, 1973, p. 71.

siveness and serious nature of racial and economic segregation in housing and education, job discrimination, political favoritism, and criminal laws which protect the advantaged. But at the root of inequality in any society is the inability of workers to provide for their families basic necessities such as food, housing, education, health and some leisure.

The degree to which welfare prevents workers from sharing in America's economic prosperity is demonstrated, in Table 5, showing the average wealthfare payment in 1972 to major income groups. It is inconsistent with the principles of a democratic society for the federal government to provide for its richest members as much as 70% of their income through loopholes in the law, without providing comparable subsidies for workers. We suggest that there are two obvious alternatives to the present pattern of "sharing" America's wealth. First, wealthfare payments could be eliminated by simply closing the major loopholes in federal tax laws. This does not require creating new government bureaucracies to wage all-out wars on poverty. Nor does it ask the majority of the American working population to bear the burden of change. In fact, from Table 6 we see that increases in taxes brought about by closing wealthfare loopholes are fairly evenly shared by persons earning $50,000, or less. This is not true, however, for the rich, who would be required to pay from 45% to 96% more of their profits.

It is unlikely that such radical change, even though it is just and consistent with our most respected values, would be tolerated by American political and economic elites. They would correctly argue that the present system of rewards promotes hard work, continual reinvestment and economic growth. In view of this convincing argument, we suggest a compromise. First, restructure the wealthfare system so that it continues to allow the rich to profit by "taking stock in America," but to a lesser degree. That is, rather than completely closing tax loopholes and other forms of wealthfare, cut them back to tolerable levels. Second, with new revenues brought in by narrowing subsidies for the rich, develop comparable economic incentives for the working and

TABLE 6

Percentage Increase in Taxes for Selected Income Groups with Closing of Tax Loopholes

Income Group	Percent Increase in Taxes
Under $3,000	18%
$3,000-$5,000	16%
$5,000-$10,000	17%
$10,000-$15,000	22%
$15,000-$20,000	23%
$20,000-$25,000	24%
$25,000-$50,000	28%
$50,000-$100,000	45%
$100,000-$500,000	73%
$500,000-1 million	98%
1 million and over	96%

Source: Surrey, *op. cit.*, p. 69.

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[1]Edward C. Banfield, *The Unheave* p. 62.
[2]Meyer Weinberg, *Race and Plac* Washington, D.C.: U.S. Government
[3]Michael Harrington, *The Other A* Penguin Books, Inc., 1969, p. 67.
[4]W. J. Cash, *The Mind of the South*
[5]Jonathan H. Turner, *American Soci* Row, 1975, in press.
[6]Stanley S. Surrey, *Pathways to Tax*
[7]Surrey, *op. cit.*, pp. 92–93.
[8]Surrey, *op. cit.*, p. 95.
[9]Surrey, *op. cit.*, p. 97.
[10]Philip M. Stern, *The Rape of the T*

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incapable poor which realistically encourage their participating in making America an even more prosperous society. The very existence of a successful wealthfare system suggests that this is not only possible, but that we already possess much of the knowledge necessary to create workable systems of incentive compatible with democratic capitalistic ideals. If we instead prolong the life of our present dual systems of welfare and wealthfare, it should come as a surprise to no one that America is a society where it is practically impossible for the rich to become poor, but equally impossible for workers to achieve security and quality of life.

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