

WAS ROBIN HOOD RIGHT?  
ETHICS AND ECONOMIC JUSTICE IN AMERICA TODAY

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I am a little leery speaking on economic justice after a meal. Unitarian bard Ralph Waldo Emerson opined that "Men are conservatives when they are least vigorous, or when they are most luxurious. They are conservatives after dinner. . . ."<sup>1</sup> Universalist prophet Clarence Skinner was somewhat more blunt: "A stuffed prophet sees no visions."<sup>2</sup> So this may not be a propitious time to be very progressive about economics; but if not now, when?

A few years ago on CBS's *Sixty Minutes*, Ed Bradley did a piece on Subcommandante Marcos, leader of the peasant uprising in Chiapas, Mexico. At one point in the interview Bradley labeled him the "Robin Hood of Mexico." Robin Hood – do you remember the legendary hero of the middle ages who rebelled against the powers and principalities of his day, including the evil Sheriff of Nottingham? Perhaps forgotten in myth and movie is his understanding of economic justice and what it required - he took from the rich and gave to the poor. The real Robin Hood is lost in legend – perhaps a yeoman who lived in the 12<sup>th</sup> or 13<sup>th</sup> century of the Common Era - hero of the common people, symbol of right vs. might, an archetypal figure common in many cultures.

I confess a certain sympathy for the economic philosophy of Robin Hood, though I do try to keep on the right side of the law. There is excitement in being part of a movement for social justice – a foot soldier in the "war on poverty." However, it used to be that the poor were seen as "ambassadors of God" and opportunities to do good, instead of now as disturbing reminders of economic injustice.

Was Robin Hood right? Perhaps he was simply left – just a liberal - or just plain wrong. But was he morally right in his ethic of redistribution? How much do we deserve of this world's goods – I mean morally deserve? Is a winner-take-all society one we wish to have? In a competitive society, what do we do with the losers? To what are we entitled? How much is enough? What are our just deserts? These are questions probably not often asked in Economics 101.

It has been said "If all economists were laid end to end, they would never reach a conclusion," and "if all economists were laid end to end, it would probably be a good thing." I'm not sure that applies to ministers speaking on economic justice, because it has also been said that "Economic distribution is far too important to leave to economists." It may be that we know the price of

everything and the value of nothing. It has been suggested that the term "economic justice" itself is an oxymoron - inherently contradictory. However, from the perspective of religion, it clearly is not! Economic justice has been an imperative of religious people in virtually every tradition and time. For religious traditions, the market is not God.

The Hindu Mahatma Gandhi said: "There is enough wealth to meet everyone's need, but not everyone's greed." Gautama Buddha forsook his princely life to preach the problems of worldly desire. "Buddhist economics," based on "right livelihood," requires moderation, "to obtain the maximum of well-being with the minimum of consumption."<sup>3</sup> Confucius said, "To centralize wealth is to disperse the people; to distribute wealth is to collect the people."<sup>4</sup>

In the Greek humanist tradition great gaps between rich and poor were felt to be unhealthy for the *polis*, the city. Plato believed the wealth ratio between the richest and the poorest person in the ideal state should be 4-1. Aristotle believed it should be 5-1. Plutarch wrote, "An imbalance between rich and poor is the oldest and most fatal ailment of republics."<sup>5</sup> The Hebrew prophetic tradition is replete with condemnation of those who exploit the impoverished; Amos inveighed against "selling the poor for silver and the needy for a pair of sandals."<sup>6</sup> Jesus says unequivocally, "It is easier for a camel to go through the eye of a needle than for someone who is rich to enter the Kingdom of God."<sup>7</sup>

The *Koran* of Islam stresses solidarity, condemning hoarders of wealth and urging *zakat*, a minimal tax: "Wealth, justly earned, is to be regarded as a bounty from God and spent to redress imbalance." In 1986 the United States Roman Catholic bishops concluded that "Greed is the most evident form of moral underdevelopment."<sup>8</sup>

In sum, the predominant religious voices on economic justice speak of an "option for the poor," and condemn any "preference for the privileged."<sup>9</sup> Clearly this religious outlook has not yet transformed the American economy. The late Joseph Campbell shared an arresting image of the way the world of power has changed. When entering a medieval town the dominant building was the cathedral; centuries later it was the town hall that dominated the landscape; now it is commercial buildings which dwarf everything else, a symbol that did not escape the Twin Towers terrorists.<sup>10</sup>

Although economic justice is a values issue, I begin with cold, hard statistics which tell a disturbing tale. While the American economy has been inordinately successful in production, it has been decidedly less successful in distribution. Poverty exists in the midst of plenty; we are witnesses to the new American apartheid.

This abstract figures can be likened to a pyramid made out of a child's blocks, with each layer representing \$1000 of income. While the peak would be higher than the Eiffel Tower, almost all of us would be within a yard of the ground.<sup>11</sup>

To change the figure, imagine a one hour parade of people where everyone's height is proportional to their individual wealth. The first marchers are actually buried several feet beneath the ground since they have negative net worth. After half an hour there are dwarfs - people about six inches tall, whose wealth is household furniture, a car and perhaps a small savings account. Only at about twelve minutes before the hour do we begin seeing people of average height, for

more than three quarters of the world's population have fewer assets than average. In the last few minutes giants loom up; in the last few seconds are people so tall we cannot even see their heads, the corporate managing directors a hundred yards tall. "The rear of the parade is brought up by a few participants who are measured in miles . . . their heads disappear into the clouds. . . . The last Americans, whose backs we can see long after the parade has passed by, are Bill Gates and the Waltons. . . . Their height is inconceivable: at least ten miles; perhaps twice as much."<sup>12</sup>

Those metaphoric images point out that in fact the rich are getting richer, the poor are getting poorer and the middle class is barely holding its own. The facts are sobering. The richest 20% of U.S. families enjoys 50.1% the national earned annual income, while the poorest 20% survives on 3.4%. (see chart)<sup>13</sup> And these figures do not include capital gains income and all earnings above \$999,999, which would greatly increase the disparity. Median income has not increased for the past four years. Poverty has increased over the last year by 1.1 million - to 37 million.<sup>14</sup> Over forty-four million Americans have no health insurance. Income disparity is at an all-time high. The disparity in wealth is even more dramatic.<sup>15</sup> We have witnessed the "waltz of the wealthy" while most Americans have been riding "up the down escalator."

A fascinating feature of the increasing gaps between the rich and the rest of us is the relationship of CEO pay to that of the average worker. In 2005 the ratio of CEO to average worker pay was 431 to one.<sup>16</sup> For every additional dollar earned by the bottom 90% of the population, those in the top bracket brought in an extra \$18,000.<sup>17</sup>

You may recall Michael Douglas, as Gordon Gekko in the film *Wall Street*, who made a mantra of: "Greed is good! Greed is right! Greed works! Greed will save the USA!" Lest you think that statement is the stuff of Hollywood imagination, hear the words of Ivan Boesky: "Greed is healthy. You can be greedy and still feel good about yourself."<sup>18</sup> Bernard Ebbers of WorldCom (and now in prison) cost investors \$200 billion in share value and left with a lucrative golden parachute. *Business Week* concluded that the link between pay and performance "has been all but severed in today's system."<sup>19</sup> Greed used to be one of the seven deadly sins. No more. Ethics in economics has been turned on its head.

As Chicago publishing executive Gregory Pierce put it: "From a spiritual point of view it cannot be true that the work of the CEOs of some companies is worth a thousand times that of some other of their employees, just as it cannot be true that because you can get people to work full time for minimum wage they are justly compensated."<sup>20</sup> From a more practical point of view, business guru Peter Drucker has argued that top executives should make no more than 20 times their workers' pay.<sup>21</sup> Investment genius Warren Buffet has said that willingness to curb excessive executive pay may just be "the acid test of corporate reform."<sup>22</sup> How much is enough?

If production worker pay per year had grown as fast as CEO pay, production workers would have averaged \$120,491 in 2000, not the \$24,668 they actually received."<sup>23</sup> To match the take-home pay of Sprint CEO William Esrey, a Sprint telephone repair person would have to labor for the next 1,891 years."<sup>24</sup> Clearly the Golden Rule of economics has prevailed: those with the gold, make the rules. How would Robin Hood react to that? What would Plato and Aristotle say? What would Jesus do?

Nationally, our situation is summarized by 19th century Senator Charles Sumner: "There are "dinner without appetites at one end of the table and appetites without dinners at the other." Internationally we live in a Noah's Ark of affluence floating in a sea of poverty. In this nation we have what author Jonathan Kozol calls "savage inequalities." The more disturbing reality is that most Americans accept this state of affairs. They have become so inured to the stark reality of economic injustice that we experience the "banality of evil" – an ethical wrong simply assumed to be etched into the nature of things.

Some years ago while on a tent safari in Kenya we had a conversation with a young Anglo-Kenyan who had done a science internship in Philadelphia. How embarrassed we were as she remarked how surprised she was at how Third World parts of Philadelphia were.

The Rev. Galen Guengerich of All Souls Unitarian Church in New York City dramatized the American income and wealth disparity in the opening of a sermon: "Take a walk through the neighborhood around All Souls Church in Manhattan. You soon see the problem. The wealthiest census tract in New York City begins just seven blocks from All Souls; the average household income in that 12-block area is just over \$300,000 per year. The poorest census tract begins only a few blocks farther away; the average household income in that area is about \$5,000 per year. In the faces of the people you meet and the houses where they live, you see a city divided against itself, a painful and unsettling contrast between wealth and want, hope and despair, opportunity and oblivion. You see the difference, in other words, between the privileged and the impoverished."<sup>25</sup> We live in a condition of class warfare no matter how much we deny it.

Ethically, how much do we deserve? Morally, to what are we entitled? Let me tell you about five people. Think with me about their entitlements – what one gets just by virtue of being human. To what is each of them entitled? How much do they deserve? I'll identify them by first names, then tell you who they are when I have finished describing them.

Donald wrote, "Class in America may be a joke but it is not funny. When I was seventeen I decided I was a socialist; at prep school I subscribed to a weekly edition of *The Worker* and read it as publicly as I was able, a classic reactive pinko. . . . at home I was a boss's son: I remember crossing the dairy's parking lot walking with my father, who wore a brown suit and brown shoes and brown fedora, past young men my age in ratty clothes washing the mud from trucks. I lowered my gaze, unable to look them in the eyes."<sup>26</sup> To what is Donald entitled?

Chuck has made headlines after announcing layoffs of 22,000 employees without transfers or severance pay, even as he walked away with a golden parachute worth at least \$9.5 million – on top of total 2000 compensation of \$29,356,489. How about Chuck's entitlement?

"After coming from Central Mexico only five years ago, Mario has worked for just about every big-name high-tech company in Silicon Valley: Hewlett-Packard, Sun Microsystems, Advanced Micro Devices and Oracles Systems. Windows is his expertise. He washes them. Sometimes for ten or twelve hours a day, but never more than forty hours a week – lest his boss be forced to pay him overtime. His wage is \$6.20 an hour, before taxes. "The rich get richer, we get poorer,' says Mario. 'How can any one man's work be worth 800 times more than mine?' Mario's math is off, but only by a smidgen. He's referring to his CEO whose salary last year was 717 times that of an entry level janitor."<sup>27</sup> How much does Mario deserve?

“Shamal died in New York City. He was eight months old. The cause of death was poverty complicated by low birth weight, poor nutrition, homelessness, and a viral infection. During his short life he had never slept in an apartment or house; his family was always homeless – he had been in shelters, hospitals, hotels and the welfare office. He and his mother sometimes rode the subway late at night. (Someone said) Shamal died because he didn’t have the strength to resist the ‘system’s abuse.’”<sup>28</sup> To what was Shamal entitled?

Then there is the case of Phil who once said that “we have gone too far in creating an entitlement society.” Yet if government checks had stopped, Phil would have been out of luck. He was born in a base hospital in Fort Benning, Georgia, where his father was living on a veterans’ disability pension – an early entitlement program. He went to the University of Georgia, where his tuition and expenses were paid by the War Orphans Act, another entitlement sponsored by the very senator Phil replaced. His graduate work in economics was paid for by the National Defense Education Act. Phil then taught at Texas A&M, a state supported school, until he became a member of Congress. One columnist concluded, “Maybe he’ll go all the way to the White House. A presidential pension would certainly round out his life of warning against government handouts.”<sup>29</sup>

Five people, by accidents of fate living in five totally different worlds. Five people different in many ways, but most strikingly in the economic resources each possessed.

Beacon Press author Donald Hall recounts his embarrassment at being born into a family of means. He was unable to face those less well-born, experiencing a society divided by class despite all claims of a “classless society.”

Chuck Conway of Kmart lives in a superfluity of riches in the wealthiest nation the world has ever known, prospering even as he laid off thousands of workers.

Mario moved to this country for economic opportunity, yet experiences America’s economic apartheid and cannot see how he will ever be able to get his fair share.

Shamal, a child who began life without even the minimum requirements for entering the resource race, never had a chance. He simply had made a poor choice of parents. As the late Daniel Patrick Moynihan said: “The US may be the first society in history in which children are distinctly worse off than adults.”

Texas Senator Phil Gramm retired from the US Senate as champion of the non-entitlement society, yet was himself the recipient of social benefits which he did not earn, but which came to him at taxpayer expense by virtue of the fact he is a citizen of the United States. He had climbed the ladder of success and then pulled the ladder up after him. To what was this critic of entitlements entitled?

Did they get their “just deserts”? Does anyone? To what are they entitled? Morally, is it possible to determine how much we deserve, or must we submit to the supposed “value-free” invisible hand of the market place? To some it seems more like a fist of judgment than a hand of opportunity.

Columnist Molly Ivins, commenting on the uneven application of the work ethic in welfare reform compared to elimination of the inheritance tax, caustically observed, "The people who brought us welfare reform on the grounds that getting \$8,000 a year to raise three kids is very bad for a mother's moral fiber now tell us that Junior, who never worked a day in his life, needs to inherit \$200 million tax-free."<sup>30</sup>

Peter Edelman, one of President Clinton's domestic policy advisors, who resigned when welfare reform legislation was passed in 1996, wrote, "We have been reduced to the politics of the waitress mom. She says, all too legitimately, 'I bust my tail. I don't have decent child care. I don't have health coverage. Why should 'these people' get what I don't have?'"<sup>31</sup> **The answer, of course, is that we need to help not only the desperately poor but also the** 13.1 million people in families of the working poor who are just barely making it.<sup>32</sup>

Was Robin Hood right? Is it ethical to take from the rich and give to the poor? Or, more appropriately, is our current mode of economic distribution just? My thesis is that these great and increasing gaps in income and wealth between haves and have-nots are inherently unjust. But on what basis? One of the tasks of religion is to raise questions of justice. "How much do we deserve?" Are the rich rich because they deserve it, and the poor poor for the same reason, as John Calvin once taught and is now being promulgated as the "prosperity gospel" of reward by many preachers of the religious right? Is this inequality wrong? I submit four propositions to argue against increasing disparities of income and wealth and for greater fairness in resource distribution.

Proposition One: the greater the disparity in income, the less the freedom in society. To the question "How many libertarians does it take to screw in a light bulb?" the answer is "None. Market forces take care of it." Not so.

The market economy is built on the assumption that each person can cast their economic ballots in the marketplace, thus undergirding human freedom. But when income disparity is so great, a kind of market imperialism develops. Those with the most "votes" always outbid others. Political democracy is based on the "one person, one vote," principle, but market democracy is based on the "one dollar, one vote" principle. Power grows out of the end of a dollar bill. For example, one campaign finance reform law has been passed, but has not gone nearly far enough. When those who have wealth are allowed to "buy" their way into the corridors of power we have the shocking example of Michael Brown and FEMA.

Would we maximize freedom? We need to allocate our resources more equally. I submit there is greater freedom with 10 people each having \$10 than one person with \$100 to spend. More equitable distribution of resources will broaden the base of our democracy and enhance the freedom to choose. Otherwise we have a plutocracy in which a few people with vast resources determine how all of us will live.

Proposition Two: the greater the disparity in income, the less the fairness in society. To what extent have the rich and poor "deserved" their lot in life? Research demonstrates the income level of one's family largely determines one's lot in life. Given two groups, one relatively poor, one relatively well off, with exactly the same educational level, poor children with IQ's over 120 would earn just about as much as the rich ones with IQ's below 80.<sup>33</sup> Earnings consistently relate

to the economic status of one's family. Maverick political commentator Jim Hightower once observed there are people who, having been born on third base, think they've hit a triple.

When all is said and done, just plain luck plays a major role in determining allocation of resources. If you want to be rich, said one observer, don't be born in Afghanistan. The Greeks worshiped the goddess Fortuna. Niccolo Machiavelli, in *The Prince*, attributed half of what happens in this world to luck. The 17<sup>th</sup> century French philosopher Blaise Pascal wrote, "You find yourself in this world only through an infinity of accidents."<sup>34</sup> Of the *Forbes* 500 wealthiest Americans, well over half were born either to great wealth, or at least in affluence. Bill Gates, brilliant and creative as he is, could drop out of Harvard to "follow his bliss" in part because he came from a comfortable middle class family. Now his father champions curtailing that wealth by defending the estate tax.

I suggest the argument that unequal incomes are necessary for economic incentives is greatly exaggerated. Through changing tax laws, tax loopholes, tax expenditures for the affluent, there is plenty of incentive at the top. However, as income rises, each extra dollar provides a bit less incentive. The motivation to move from \$100,000 to \$110,000 in income is far less than to move from \$10,000 to \$20,000. The same potential \$10,000 increase would produce very different incentives.

On the other hand, people with low incomes are disproportionately taxed, thus dampening incentives. In reality we "soak the poor" with regressive sales, property and payroll taxes. In addition, taking a minimum wage job may well bring lower income than social assistance and make one ineligible for government medical coverage to boot.

David Cay Johnston, the *New York Times* tax expert, in his fascinating and deeply disturbing book *Perfectly Legal: The Covert Campaign to Rig Our Tax System to Benefit the Super Rich – and Cheat Everybody Else*, writes that when all taxes at all governmental levels are taken into account "America has something close to a flat tax. The top fifth of Americans pays just a penny more out of a dollar in taxes overall than the poorest fifth, 19 cents versus 18 cents."<sup>35</sup> Billionaire investor Warren Buffet says that on his last dollar of income he pays a lower marginal tax rate than his secretary.<sup>36</sup>

Proposition Three: the greater the disparity of income, the less community there will be. Our society is marked by excessive individualism. The British economist John Maynard Keynes defined capitalism as "the extraordinary belief that the nastiest of men for the nastiest of motives will somehow work for the benefit of all."

We are engaged in a new class war, each person fighting for a piece of the economic pie. We have become increasingly fragmented. Social Darwinism, "the survival of the fittest," has replaced our Constitution's Preamble, mandating us to "promote the general welfare." It is as if we were saying "your end of the lifeboat is sinking."

Economist Lester Thurow once asked a Harvard alumni group from whom would they take income if given the task of raising investment in plant and equipment from 10% to 15% of Gross National Product. "One hand was quickly raised and the suggestion was made to eliminate welfare payments. Not surprisingly, the person was suggesting that someone else's income be

lowered, but I pointed out that welfare constitutes only 1.2% of GNP. Where were they going to get the remaining funds - 3.8%? Whose income were they willing to cut after they had eliminated government programs for the poor? Not a hand went up."

We are "drunk on the rhetoric of individualism." We cannot survive "half suburb, half slum." As Francis Bacon said, "Money is like manure, of very little use unless it be spread around."

T. S. Eliot in *Choruses from "The Rock"* wrote:  
 "What life have you if you have not life together?  
 There is no life that is not in community....  
 When the Stranger says: 'What is the meaning of this city?  
 Do you huddle close together because you love each other?'  
 What will you answer? 'We all dwell together  
 To make money from each other?' or 'This is a community.'  
 And the Stranger will depart and return to the desert.  
 O my soul, be prepared for the coming of the Stranger,  
 Be prepared for him who knows how to ask questions."<sup>37</sup>

Proposition Four: the greater the disparity of income, the greater the potential for erosion of moral sensitivity and religious meaning. Affluence tends to corrupt, and absolute affluence corrupts absolutely, to paraphrase Lord Acton.

A few years ago a friend sent me an e-mail with a troubling story. "The UN World Food Summit, devoted to helping the 800 million people starving worldwide, opened in Rome with a luncheon of lobster, foie gras and goose stuffed with olives for the 3,000 limousine-using delegates in June."

There is a 1981 *New Yorker* cartoon showing three fish swimming, one behind the other. First is a small fish saying "There is no justice." Immediately behind, ready to swallow it, is a larger fish saying, "There is some justice in the world." Finally, there is a large fish about to swallow both, saying, "The world is just."<sup>38</sup>

Then there is the case of a very large fish, Kenneth Lay of Enron infamy, who faces trial next year. While thousands of Enron employees lost their hard-won nest-eggs, his wife complained on national television that they were being pauperized by the fall of Enron and would have to sell some of their houses."<sup>39</sup>

"Lee Iaccoca, asked how he felt about making \$20.6 million in a single year, said, 'That's the American way. If the little kids don't aspire to make money like I did, what the hell good is this country?'" Religion suggests there are other criteria.

Iaccoca is like the industrialist at a workshop who was told that hot competition may not be inevitable in the future. In response he said: "If there is to be no competition, then what will life be all about?" One of my colleagues suggested a slogan for Americans victimized by wealth addiction: "I shop, therefore, I am."

On the way home from a meeting of the Unitarian Universalist Service Committee Board of Directors a few years ago, I read a Gallup survey of top executives. Their incomes were well into

the highest income range, yet they were deeply worried about the adequacy of their personal wealth. Not long thereafter, I read the annual UNICEF report with its devastating news that 42,000 children around the world die needlessly each day. The contrast could not have been more striking.

How much is enough for America's "fortunate fifth"? Are there no limits? Nothing apparently is the limit for society's "haves." A few years ago New Jersey Republican chairman Frank B. Holman called the younger generation "the hope of the Republican Party. That's where we can eat them up. These young people are very ambitious. They want it all and they want it now, and they don't want to see it taxed away. They don't care if Aunt Tilly is being taken care of in the nursing home or not; Aunt Tilly better take care of herself."<sup>40</sup>

Religion must challenge economics on the nature of freedom, equity, community and the meaning of life. Fundamental moral issues are involved. In a competitive society, what do we do with the losers? Are capitalism and altruism compatible?

What to do? What remedies are there to enhance freedom, move toward greater equity, build community and increase moral sensitivity and religious meaning?

The late columnist Sidney Harris offered this distinction between a conservative and a liberal. A conservative tosses a 25-foot rope to a person drowning 50 feet from shore and encourages him/her to swim the other half for the good of their character. A liberal, on the other hand, throws a 50-foot rope to a person drowning 25 feet from shore and then lets go of the other end and walks away to do another good deed.<sup>41</sup>

Far be it from me to lay out a grand strategy. However, here are a few suggestions, which although they may seem radical, may at least stimulate the kind of national discourse we must have about economic justice.

In thinking about our just deserts I suggest a mind-simulation game based on the work of the late Harvard social ethicist John Rawls in his monumental book *A Theory of Justice*. Imagine you are at a gathering which is to create a new society. You are among rational people with roughly similar needs and interests, power and ability so that none is able to dominate the others. You are to make your decisions on the basis of enlightened self-interest. You wish to establish the economic guidelines for a truly just social order. You live behind a "veil of ignorance." You do not know how well you will fare in this new social environment. There is an equal chance you will succeed or fail - that you will become the most or the least affluent in the group. How would you allocate this imaginary society's resources? I have played this game with mostly middle class, affluent people - suggesting there is a total of \$200,000 available to distribute among ten "work positions": welfare recipient, laborer, artist, minister, teacher, business executive, farmer, carpenter, lawyer, and doctor. I follow the exercise with this question: Would you rather have an economic system with large income discrepancies in which some can become rich than one in which income is more evenly divided and no one can get rich?

I have been struck that in each and every case most people have said they preferred a much more egalitarian society in this theoretical game than we find in the real world. Keep this exercise in mind as I briefly outline a few policies I think move toward economic justice.

1. A Living Wage. I hold that it is inherently unjust for a person to work full-time, year-round and still live in poverty. Yet at the current federal minimum wage (\$5.15 an hour, unchanged since 1997) that is the result. Our policies are utterly hypocritical if we truly believe in a work ethic. By any moral stretch of the imagination, is that fair? The term “the working poor” ought to be an oxymoron among us. The Earned Income Tax Credit is one halting step in this direction – a policy approved even by President Ronald Reagan, but now a target a Congressional budget cutters. Thomas Aquinas advocated a “just wage” not dependent upon what he called the “higgling of the market.” A living wage is a moral value.

2. A Guaranteed Income. In the richest society in the history of the world, no person deserves to live in poverty. Most people will be able to earn a decent living through work. However, there are those who will never be able to earn a living because of physical, mental, emotional or environmental factors. We ought to guarantee the security of all. Even the conservative Milton Friedman proposed a Negative Income Tax that would accomplish this. “Ending welfare as we know it is a political slogan;. Ending poverty as we know it is a moral slogan. . . .”<sup>42</sup> While we have reduced the welfare case load, we have increased poverty. A nation is judged by how it treats its humblest, poorest and most vulnerable people.

3. A truly progressive taxation policy based on ability to pay and equal sacrifice. Albert Schweitzer concluded that “good fortune obligates.” There is a cartoon tombstone on which is inscribed, “Born a citizen – died a taxpayer.” “Taxes,” as Oliver Wendell Holmes pointed out, “are the price we pay for civilization.” I would add they are an investment in the common good. The current tax cut mania stands in the way of our creating a just society. The late President Ronald Reagan said the idea of a progressive income tax came from Karl Marx, “who designed it as the prime essential for a socialist state.”

Not so. In actuality Adam Smith, father of capitalism, touted it in *The Wealth of Nations* in 1776; Thomas Jefferson in a letter to James Madison dated October 18, 1785 (Marx was born in 1818), wrote that a way to lessen inequality in wealth “is to exempt all from taxation below a certain point and to tax the higher portions. . . in geometrical progression as they rise.” The question is : Was Jefferson a Marxist or Marx a Jeffersonian?

The income tax made its debut during Civil War as Republican President Abraham Lincoln signed an income tax levying a 3% tax on income between \$600 and \$10,000 and 5% on income over \$10,000. After the income tax was struck down by Supreme Court in 1895, it was another Republican President and a Unitarian, William Howard Taft, who pushed for the 16<sup>th</sup> amendment which created a federal income tax in 1913.

A fairer taxation program would involve reinstating the inheritance tax, while indexing it for inflation. A wealth tax that reduces income superfluity and redistributes excess resources more broadly, as in the European countries, should be explored. Billionaire Donald Trump once proposed a wealth tax to erase the national debt, rescue Social Security and slash taxes for the middle class. This would have increased his personal tax bill by at least \$725 million. I sympathize with the idea of a maximum wage enforced by taxes which would promote the “ten times” rule – the maximum wage should be no more than ten times the minimum wage.<sup>43</sup>

If taxation without representation is tyranny, then representation without taxation is anarchy.

4. A social policy that is “front-loaded” – recognizing that investment in human resources early on is far better policy than draconian sanctions later. Welfare reform must invest in people in need rather than punish them. Full funding for Head Start would be another example, as would children’s allowances (like most other Western nations), an equitable and well-funded public school system at all levels, social services that provide counseling, child care and other support services, public transportation and recreational facilities and universal health insurance, a huge order. I understand that American auto makers spend as much on health care as on the material for a car, putting them at a disadvantage with foreign auto makers where government organizes health care. And for all our spending on health care the U.S. ranks far below other developed nations in health outcomes.<sup>44</sup>

If such a program were debated, we would have a much more interesting conversation inside the beltway. Now, I realize that, in the present climate, these proposals haven’t the proverbial snowball’s chance in Hell. The moral state of the nation is not in good repair. What is really required is an ethical and spiritual gut check in the American people to determine what kind of a nation we really want.

Frankly, my hopes are not high. Hurricanes Katrina and Rita have revealed the fault lines in the American economy and should have been a wake-up call to justice as they exposed the ugly spectacle of racism and poverty. Some of us were hopeful these catastrophes might ignite a new wave of investment in people by our government.

The very opposite has happened. We have witnessed the incredible spectacle of the U.S. Congress, on the one hand promising to help the victims of Katrina and Rita, and on the other about to cut programs that benefit those very same people, pushing them further into poverty, while still planning additional tax cuts for the wealthy and funding a failed war in Iraq. The Congress giveth and the Congress taketh away. Hypocritical be the name of the Congress. This is Robin Hood in reverse.

Was Robin Hood right? As for his ends, that vastly unequal resources were wrong and a more equitable society right, yes. As for his means, they leave much to be desired. But surely, in a democratic society we have the appropriate means to create that just economic community envisioned by all the great prophets of the human spirit over the ages. Building that just society is not so much a matter of resources; it is a question of will. We have our work cut out for us. As one wag said, "It's easier to fit through the eye of a camel than to be needled into the Kingdom of Heaven."<sup>45</sup>

<sup>1</sup> Ralph Waldo Emerson, *The Harper Book of American Quotations*, p. 441 # 187:43.

<sup>2</sup> Clarence R. Skinner (source unknown).

<sup>3</sup> E. F. Schumacher, “Buddhist Economics,” *Small Is Beautiful*.

<sup>4</sup> Confucius. *Analects*.

<sup>5</sup> Plutarch. Accessed from [www.quotationreference.com](http://www.quotationreference.com).

<sup>6</sup> *Amos* 4-6.

<sup>7</sup> *Matthew* 19:23-24.

<sup>8</sup> *Economic Justice for All: Pastoral Letter on Catholic Social Teaching and the U.S. Economy*. 1986.

<sup>9</sup> Lani Guinier, “Our preference for the privileged,” *Boston Globe*, July 9, 2004.

<sup>10</sup> Joseph Campbell, *The Power of Myth*.

<sup>11</sup> Economist Paul Samuelson's familiar metaphor from his classic *Economics* text aptly describes the growing divide that marks the American economy. He writes: "A glance at the income distribution in the U.S. shows how pointed is the income pyramid and how broad is its base. 'There's always room at the top' is certainly true; this is so because it is hard to get there, not easy. If we make an income pyramid out of a child's blocks, with each layer portraying \$1,000 of income, the peak would be far higher than the Eiffel Tower, but almost all of us would be within a yard of the ground."

<sup>12</sup> Jan Pen, *Wealth, Income and Inequality*.

<sup>13</sup> The second poorest fifth gets less than 10% (8.7%), the middle fifth 15% (14.7%) and the second richest fifth receives 23% (23.2%).

<sup>14</sup> 2004 Federal Poverty Guidelines for 48 Contiguous States and District of Columbia

Number in family	Gross Yearly Income
1	\$9,310

2	12,490
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3	15,670
---	--------

4	18,850
---	--------

5	22,030
---	--------

6	25,210
---	--------

7	28,390
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8	31,180
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<sup>15</sup> By 2003 America's top 1% had accumulated over \$2 trillion more in wealth than everyone in America's bottom 90% combined.<sup>15</sup>

<sup>16</sup> United for a Fair Economy, "CEO Worker Pay Ratio Shoots Up to 431:1." On line report downloaded 10/6/05. See also Sam Pizzigati, *Greed and Good*, New York: The Apex Press, p. 66.

<sup>17</sup> Bob Herbert, "The Mobility Myth," *The New York Times*, June 6, 2005.

<sup>18</sup> *Greed and Good*, p. 93.

<sup>19</sup> *Greed and Good*, p. 27.

<sup>20</sup> *Greed and Good*, p. 66.

<sup>21</sup> United for a Fair Economy. "Can We Legislate Against Greed?" July 12, 2005.

<sup>22</sup> United for a Fair Economy. "Can We Legislative Against Greed?" July 12, 2005.

<sup>23</sup> *Greed and Good*, p. xxiii

<sup>24</sup> *Greed and Good*, xxiv.

<sup>25</sup> Galen Gingerich, sermon.

<sup>26</sup> Donald Hall. *Life Work*. (Boston: Beacon Press, 1993), 111.

<sup>27</sup> Marc Cooper, "Class War @ Silicon Valley: Disposable Workers in the New Economy," *The Nation*, May 27, 1996, 11-12.

- <sup>28</sup> Marian Wright Edelman, "1995: poverty, the underclass and the workplace," *The World*, Boston: Unitarian Universalist Association, March/April 1988, 5.
- <sup>29</sup> David S. Broder, "Gramm's Life of Entitlements," *Washington Post National Weekly Edition*, 3/6-12/1995, 4.
- <sup>30</sup> Molly Ivins, *The Defender*, United for a Fair Economy, February 2001.
- <sup>31</sup> Peter Edelman, "What is the worst thing Bill Clinton has done?" *The Atlantic Monthly*, March 1997.
- <sup>32</sup> Center on Budget and Policy Priorities. "State Policies to Assist Working-Poor Families," December 10, 2004.
- <sup>33</sup> William Ryan, *Equality*. See also *The Two Percent Solution* by Matt Miller. New York: Public Affairs, 2003, pp. 69-91.
- <sup>34</sup> *The Two Percent Solution*, p. 70.
- <sup>35</sup> David Cay Johnston, *Perfectly Legal: The Covert Campaign to Rig Our Tax System to Benefit the Super Rich – and Cheat Everybody Else*, p. 308.
- <sup>36</sup> Johnston, p. 305.
- <sup>37</sup> T. S. Eliot. - *The Complete Poems and Plays*, 101-103
- <sup>38</sup> *The Complete Cartoons of the New Yorker*, edited by Robert Kankoff. New York: Black Dog and Leventhal Publishers., p. ??
- <sup>39</sup> John Schwartz, "Never Mind Justice. How About Just Deserts?" *New York Times*, April 10, 2005.
- <sup>40</sup> David Broder column, *The Washington Post*.
- <sup>41</sup> *Kairos*, Summer 1979, p. 9.
- <sup>42</sup> Paul Simon, in speech to members of the Associated Press, *The Christian Century*, January 7-14, 1998.
- <sup>43</sup> See Sam Pizzigati, *Greed and Good*.
- <sup>44</sup> ???
- <sup>45</sup> David Juncker.