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New Inequality Data Likely to Boost "Occupy" Movement

By Jim Lobe\*

**WASHINGTON, Oct 26, 2011 (IPS) - A major study on income equality by a non-partisan government agency is likely to boost the "Occupy Wall Street" movement, whose standing with the general public appears on the rise, according to a new poll.**

The [study](#), released here Tuesday by the Congressional Budget Office (CBO), found that the average after-tax real income of the top one percent of the nation's households grew by 275 percent between 1979 and 2007 - about seven times greater than the increase in income by the remaining 99 percent over the same period.

And the income of the poorest 20 percent of the nation's earners grew by a mere 18 percent during that period, according to the report, which had been requested by the senior Democratic and Republican members on the Senator Finance Committee several years ago. That was less than one percent per year.

The report – the latest in a series of private or non-profit studies that confirm a sharp rise in income and wealth inequality over the past generation – came as a new New York Times/CBS News [poll](#) showed stronger-than-expected popular support for the "Occupy" movement, which has spread to dozens of cities across the country.

The movement, which was launched in Wall Street's Zucotti Park Sep. 17, has sought to draw public attention to the growing concentration of wealth in the hands of a tiny minority of people compared to the increasingly difficult plight of the middle class, the poor, and the unemployed. The movement has also protested what it regards as the excessive influence of Wall Street banks and big corporations on government policies.

A 43-percent plurality of the 1,650 respondents queried by the poll said they agreed with the views expressed by the movement, compared to 27 percent who said they disagreed. Thirty percent –the same percentage who said they had heard little or nothing about the movement - said they had no opinion.

The poll found stark partisan differences on the question: 54 percent of Democrats said they agreed with the movement's views, while only 13 percent disagreed. Among Republicans, however, the numbers were virtually reversed: 19 percent agreed, while 57 percent disagreed.

Among self-identified independents - the 30 to 40 percent of the electorate who will likely decide next November's presidential election - 48 percent agreed with the movement's views, while only 20 percent disagreed.

Moreover, a strong plurality of 46 percent of all respondents agreed with the proposition that the "views of the people involved in the Occupy Wall Street movement generally

reflect the views of most Americans." Thirty-four percent said they disagreed, while the rest said they had no opinion.

Those percentages marked a sharp boost in the movement's popular support and visibility from just two weeks ago when the mainstream U.S. media began to cover it. A Gallup poll conducted in mid-October found that only 22 percent said they "approved" of the movement's goals, while 15 percent said they disapproved, and 63 percent said they didn't know enough to judge.

They also suggest that the Occupy movement enjoys substantially greater popularity and acceptance than the so-called "Tea Party", a mainly right-wing, populist movement that played a key role in the Republican victories in the 2010 mid-term elections and has since driven demands for big cuts in government spending.

According to recent polls, only about 25 percent of respondents say they support the "Tea Party" and its policies.

"In just one month, the protesters have shifted the national dialogue from a relentless focus on the (government) deficit to a discussion of the real issues facing Main Street: the lack of jobs - and especially jobs with decent benefits - spiraling inequality, cash-strapped American families' debt-loads, and the pernicious influence of money in politics that led us to this point," wrote Joshua Holland, the editor of the progressive, California-based website Alternet, Wednesday.

The poll, which found historically low levels of public confidence in Congress and the federal government, also found strong support for a more equal distribution of "money and wealth" in the country. Two-thirds of respondents said the distribution should be "more even", while only 26 percent said that the current distribution of money and wealth was "fair".

And in an ominous sign for the Republican Party, nearly 70 percent of respondents said they think the policies of Republicans in Congress favour the "rich" over the middle class and the poor.

Since taking control of the House of Representatives in 2010, Republican lawmakers have effectively blocked all efforts to increase taxes on the corporations and wealthiest individuals, initiatives supported by about two-thirds of the public, according to the poll.

The CBO findings should bolster popular support for such efforts. While the after-tax income of the poorest 20 percent of U.S. households grew by an average of less than one percent per year, the next 60 percent – the broad middle class – did not fare much better. The average growth in its after-tax income over the 28 years came to only about 1.4 percent annually.

As a result, the wealthiest 20 percent of the population received substantially more of the total after-tax household income in 2007 – 53 percent – than all of the rest. In 1979, the

same wealthiest 20 percent received 43 percent, according to the CBO.

In a second report released here Wednesday, the Economic Policy Institute (EPI), a think tank closely associated with the U.S. labour movement, found an even greater disparity in income between the very rich and the rest of the country.

According to its calculations, the incomes of the top 0.1 percent of households grew 390 percent between 1979 and 2007, while incomes of the bottom 90 percent grew by only five percent during the same period.

"The sense that most of us have been ignored by those in charge of economic policy is totally justified," said EPI economist and co- author of the report, Josh Bivens. "And I think it is what is driving the energy of the Occupy Wall Street campaign."

Some conservative analysts noted that the CBO report only covered the period through 2007 and did not take account of the impact of the 2008 "financial crisis".

Citing data from the pro-business Tax Foundation, Michael Tanner of the libertarian Cato Institute argued that the wealthiest were particularly hard hit by the fallout.

"(T)here has been a 39 percent decline in the number of American millionaires since 2007," he wrote on the right-wing National Review website Wednesday. "Among the so-called super rich, the decline has been even sharper. The number of Americans earning more than 10 million (dollars) per year has fallen by 55 percent. Perhaps someone should tell the folks in Zuccotti Park: Inequality is actually declining."