Media Research Center

Liberal Journalists, Lefty Economists Created Occupy Wall Street Mantra

99 vs. 1 percent theme stems from class warfare messaging of lefties, repeated by media outlets including New York Times, PBS and Vanity Fair.

- By Julia A. Seymour
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While protesters only began shouting "We are the 99 Percent," a few months ago, the class warfare sentiment that the top 1 percent and the 99 percent are at odds is not a recent phenomenon. It was a claim made in media appearances before the first protests began in Zuccotti Park.

In a Democracy Now! video of Occupy protests in October 2011, a doctor, nurse and others complained about income inequality, the lack of fairness and claimed that "never" had "this much wealth been concentrated in so few hands." But before that, PBS, Vanity Fair magazine, The New York Times and other media outlets had all used left-wing class warfare messaging to criticize the amount of wealth held by the top 1 percent or the problem of "rising" income inequality for years.

Although, the slogan "We are the 99" is recent terminology as the Times reported Nov. 30, the concept is not new. It was taught to the occupiers by lefty economists and the liberal news media, something the Times admitted: "The idea behind the 99 percent catchphrase has its roots in a decade's worth of reporting about the income gap between the richest Americans and the rest, and more directly in May in a Vanity Fair column by the liberal economist Joseph E. Stiglitz."

The Times didn't mention that a month before the Occupy Wall Street protests began, PBS NewsHour aired a segment purporting to find out whether "the growing gap between rich and poor contributed to the 2008 financial collapse." That Aug. 17 report from economics correspondent Paul Solman included four economic experts who argued that income inequality contributed to (or created) the financial crisis, including liberal feminist economist Cecilia Conrad.

Her view, as summed up by Solman, was that the crash happened because "the rich [were] exploiting inequality by renting their money at fat interest rates to those trying to stay in the middle class …" Two of the economists Solman interviewed, work for universities (MIT and Harvard Business School) that have gotten funding from left-wing billionaire George Soros's Open Society Foundation.

As the Times reported, left-wing magazine Vanity Fair published a piece in May 2011 by Nobel prize winner Stiglitz, a left-wing economist who also happens to be funded by liberal billionaire George Soros. In fact, not only is he funded by Soros, but also is a friend of his who shares similar views about free-market economists. Stiglitz criticizes them as "free market fundamentalists." He is also on the board for the Soros founded Institute for New Economic Thinking (INET) and is a contributor to Project Syndicate, a left-wing journalism mouthpiece that received $250,000 from Soros and reaches a monthy circulation of more than 72 million in 150 countries.

In that Vanity Fair article, Stiglitz said something frequently heard at occupy rallies these days: "In terms of wealth rather than income, the top 1 percent control 40 percent." He further complained that "in terms of income equality, America lags behind any country in the old, ossified Europe … Among our closest counterparts are Russia with its oligarchs and Iran."

Stiglitz even praised "old centers of inequality in Latin America" for reducing such gaps between the rich and poor. Perhaps the poor in those countries are better off now than they used to be, but would any American really want to live and work in Latin America instead?

In Brazil, the country cited by Stiglitz, per capita GDP was $10,710 in 2010 according to World Bank data supplied by Google. The same year, per capita GDP in the U.S. was more than four times higher at $47,184.

In his estimation, "most Americans" are doing worse year after year, yet common sense refutes that. One look around at all the stuff (dishwashers, washing machines, personal computers, smartphones) Americans have that enrich their lives for less and less money than in previous years, refutes that notion. Incomes are volatile and the 2008 financial crisis did takes its toll on both the rich and poor, but to say that most people are growing worse off year after year is absurd.

One of the loudest income inequality alarmists among the media is New York Times columnist and Nobel Prize winner Paul Krugman. At least as far back as 2007, Krugman was lamenting a return to the "gilded age" and praising the more equal (and heavily unionized) society created by the New Deal that followed World War II. In a speech for the Commonwealth Club of California, he said this society began to fall apart around 1980 and blamed political policies including de-unionization for a rising income inequality.

According to Cato Institute's vice president for research Brink Lindsey, Krugman's view of the past is one of "nostalgianomics" and it offers "a highly selective and misleading account" of the changes in political and economic history.

Thomas A Garrett, an economist at the Federal Reserve Bank of St. Louis, wrote in the spring of 2010, that "common measures of income inequality that are derived from the census statistics exaggerate the degree of income inequality …" In contrast to Stiglitz and others on the left, Garrett also noted that "although many people consider income inequality a social ill, it is important to understand that income inequality has many economic benefits and is the result of - and not a detriment to - a well-functioning economy."

Liberal complaints about increased concentration of wealth by the top 1 percent, and about income inequality have a long history. It reaches at least as far back as 1987 when far-left economist Dr. Ravi Batra published his book, "The Great Depression of 1990." Remember that Great Depression? Oh, wait, no one does because Batra's prediction that the "perverse" fiscal policies of President Ronald Reagan would plunge the nation into a 1929-style Great Depression from 1990-1996 did not even vaguely come true.

Batra's prediction was based on the claim that rising income inequality causes depressions. Something he stated clearly in chapter 6 of the book (under the obvious influence of Keynesian economist John Kenneth Galbraith): "My argument is that depression, as distinct from recessions, are caused by an extreme concentration of wealth."

As evidence Batra supplies a chart in that chapter which shows the "Share of wealth held by the richest 1 percent" from 1810-1983. It shows an increase in the amount of wealth held by "the one percent" in 1929. Of course, he argued causation - but causation and correlation are tricky things particularly in economics.

It is obvious that the economic views of the Occupy movement were scripted by left-wing economists and repeated or embraced by those in the liberal media long before anyone set up an Occupy camp. So it should come as no surprise that those same liberal media outlets have given such favorable coverage to the extreme anti-capitalist movement, despite the crime and violence that has taken place. Krugman praised the "We are the 99 percent" slogan on Nov. 24. His only criticism was that "it aims too low."