



[GE 2010 Tax Rates](#) Get the Facts on GE's 2010 Tax Rates and Earnings [www.gereports.com/taxes](http://www.gereports.com/taxes)  
[What Would You Cut?](#) Choose 5 wasteful govt programs to cut! Answers sent to Congress. [www.AskHeritag...](http://www.AskHeritag...)



Free New letter  Go Sign-in/Submit Support OpEdNews Search  [Site](#) [Web](#)

Hot News	Obama	Election Integrity	LGBT	Media	Biz- Econ	Edges	Govt	Religions	Life/Arts	Security	WMDs	Terror	Rights	Justice	Democracy		
Health	Vets	Military	Torture	Guantanamo	Food/Farming	Mideast	Iran	Iraq	Afg	Pa	Mid East	Eco Enviro	Activism	Community	education	Wikileaks	Revolutions

Like

[Refresh](#) Tag(s): [Debt](#) [GOP Tax Cuts](#); [Middle Class](#); [Wealth Wealthy](#), [Add Tags](#)  
[Add to My Group](#)

May 15, 2011 at 11:59:47

[View Ratings](#) | [Rate It](#)

Promoted to **Headline (H3)** on 5/15/11: [Permalink](#)

[View Article Stats](#)

## A Banquet of Consequences

Facebook  
 twitter  
 reddit this!  
 Buzz up!  
 Digg This  
 EMAIL THIS



[Become a Fan](#)  
 Printer-Friendly  
 SAVE AS FAVORITE  
 VIEW FAVORITES  
 <Embed>



By Kurt Stone ([about the author](#))

Page 1 of 1 page(s)

[Become a Fan](#) (5 fans)

[opednews.com](http://opednews.com)

As with all fancy repasts, we begin with assorted *hors d'oeuvres* -- tasty tidbits meant to stimulate the palate and get the gastric juices flowing with gleeful anticipation:



- In the United States, the top 1% owns more wealth than the bottom 90%.
- 80% of all new income earned from 1980 to 2005 went to the top 1%.
- Between 1998 and 2005, two out of every three corporations in the U.S. (with combined sales of \$2.5 trillion) paid no Federal income tax.
- In 2009, the wealthiest 400 Americans earned, on average \$345 million apiece; their effective tax rate was a mere 16.6% -- the lowest tax rate for the super-wealthy ever recorded.
- During the eight G.W. Bush years, the 400 wealthiest Americans increased their wealth by more than \$380 billion.
- During the eight G.W. Bush years, America closed down more than 42,000 factories, for a net loss of more than 5 million manufacturing jobs.

Our appetites hopefully whetted, we now move on to the next course:

- In 2010, the top 25 hedge fund managers made a combined \$25 billion in income -- an average of \$1 billion per person.
- In 2009, a two-income family had less disposable after-tax income than a one-income family did thirty years ago.
- In December 2010, Congress lowered the inheritance tax from 55% to 35%, with an exemption on the first \$5 million on an individual's (or \$10 million for a couple's) estate. Research shows that this tax applies only to the top *three-tenths of one percent* of American families, and will reduce federal revenues by about \$200 billion a year.
- As of 2010, the Social Security Trust Fund has a \$2.6 trillion surplus; enough to pay out benefits for the next 27 years.
- As of March 2011, major American corporations have approximately \$2 trillion cash on hand.
- In the first quarter of 2011, the five major oil corporations booked profits of \$36 billion. Nonetheless, they receive approximately \$4 billion a year in federal tax subsidies. This past Thursday the CEOs of these five corporations went before a Senate committee and said that anyone who was in favor of ending these subsidies was "un-American."
- In 2010, these five oil corporations spent more than \$145 million on 800 lobbyists. (The \$4 billion they will likely continue to receive in 2011 thereby represents a 2,700% return on investment.)



And now for the main course:

- In May 2011, America is carrying a \$13.8 trillion national debt, a \$1.3 trillion trade deficit, and is sending \$1 billion a day, 365 days a year to the Saudis for oil.
- In December 2010, Congress extended a tax cut for all Americans for an additional two years.
- As a result of the tax cut extension, a family making between \$50,000 and \$75,000, will save just over \$2,000. By comparison, families making between \$500,000 and \$1 million gets an average \$25,000 tax break, and those making over \$1 million a year get more than \$130,000.
- Tax cuts for those making over \$200,000 a year will cost the treasury \$42 billion in fiscal year 2012. Compare this to \$38 billion in cuts -- mostly to education, health and other social services -- enacted by Congress just one month ago.
- According to the Center for American Progress, the tax cuts for the wealthiest Americans will cost \$120 billion over the next two years and will create or save approximately 290,000 jobs. Doing the math, this works out to roughly \$400,000 a job, although few, if any, will pay anywhere near that amount.
- Despite running on a platform calling for "jobs, jobs and more jobs" and "extreme fiscal discipline," Republicans -- on both the national and state level -- have instead used their newfound power to enact draconian cuts in social services, pensions and education, severely curb -- if not cancel -- collective bargaining rights for unions, and severely restrict to the point of impossibility abortion. (In Florida, the "Let's Get to Work" governor and legislature responded to the state's fiscal crisis by one bill against the wearing of saggy pants which permit one's underwear to show, a second requiring all those seeking public assistance to undergo mandatory drug testing, and a third requiring women seeking an abortion to first pay for an ultrasound. What all of this has to do with the creation of jobs or fiscal integrity is beyond me. . .)
- According to Speaker Boehner and members of the Tea Party Caucus, unless Congress agrees to trillions of dollars in budget cuts -- with virtually no increase in taxes except on women's centers that perform abortions -- they will not support an increase in the Federal Debt Ceiling. *(Please note that increasing the debt ceiling does not add a cent to the federal deficit; it merely gives the government the legal ability to meet its debt obligations. Without an increase in the ceiling the "Full Faith and Credit" of the United States would, for the first time in its history, be called into question, which in turn would likely trigger an international fiscal crisis of epic proportions.)*

I don't know about you, but I've pretty much lost my appetite. I think I'm going to skip desert and opt out for a postprandial brandy . . . perhaps a flask of [Frapin](#).

Although the cause(s) of America's "Great Recession" are rather clear -- a combination of Wall Street duplicity, untrammelled free trade leading to job exportation and putting the cost of war on the national credit card -- the road to recovery is shrouded with doubt. One thing though, is certain: the vast American Middle Class -- the historic economic backbone of the country -- has been dealt a mortal wound. At no time since the Gilded Age has the gap between the hyper wealthy and the rest of America been so great. Congress -- the so-called "People's House" -- cannot and will not do anything to upset those who underwrite their political careers.

Historically, Democrats have had a tendency to see government playing an enhanced role at times of economic crisis; acting as both a referee and a bank of last resort. Their understanding of economics posits that during times of economic crisis, the best investments are in people -- whether through unemployment checks, Social Security payments or public works programs that put people to work. When you invest in those who are falling behind, so this argument goes, they immediately spend their money -- on food, rent, clothing and other necessities. In turn, these purchases help the bottom line of the grocer, the landlord and the department store who, because of increased sales, may well seek additional employees who in turn will earn money for which they too will pay taxes. And on and on. And although this understanding of economics does have its limits, it can work.

Historically, Republicans have had a tendency to believe that the solution to economic hard times will come from the "haves," rather than the "have-nots." They believe that a combination of lower taxes and fewer regulations will put more money into the hands of corporations, who, so they believe, are the ones who will ultimately create the jobs that will ultimately right the economic ship of state. For the past generation or more, this approach has been known as "trickle-down economics." It has also been shown to not work.

The Republican mantra states "If you tax rich people and their corporations, it kills jobs." They have a tendency to see those whom the Democrats would assist through government programs as "leeches" and "blood-suckers." Case in point, a recent article against President Obama's economic recovery plan by a senior fellow at the Cato Institute's "Institute for Economic Growth," in which he wrote:

*Some people, in their pursuit of profit, benefit their fellow humans by creating new or better goods and services, and then by employing others. We call such people entrepreneurs and productive workers.*

*Others are parasites who suck the blood and energy away from the productive. Such people are most often found in government. Perhaps the most vivid description of what happens to a society where the parasites become so numerous and powerful that they destroy their productive hosts is Ayn Rand's classic novel "Atlas Shrugged." (Please note that Ayn Rand, the goddess of "Objectivism," the woman who occupies a hallowed spot in the Libertarian/Tea Party Pantheon, was herself a recipient of both Social Security and Medicare. And, for those who can quote line and verse from *We the Living*, *Anthem*, *The Fountainhead* and *Atlas Shrugged*, please note that Ms. Rand was a dyed-in-the-wool atheist who despised*



### Most Popular Articles

in the Last 2 Days  
(by Page Views)

[Food Safety in the Post-Fukushima World](#) by [Marianne Barisonek](#)

[Scorpio Full Moon, May 17, 2011](#) by [Cathy Lynn Pagano](#)

[Creating the bin Laden Reality](#) by [paul craig roberts](#)

[Where Is The Beef Against Socialism?](#) by [Curt Day](#)

[Behind the Blogger Who Made the WikiLeaks Confidentiality Agreement a Top Story](#) by [Kevin Gosztoła](#)

[Let the Sun Shine on a State Bank in Florida](#) by [Scott Baker](#)

[In America, Being Poor is a Criminal Offense](#) by [Rania Khalek](#)

[Fascist Eric Prince, Blackwater Founder, at it Again](#) Posted by [Press Release](#)

[Cowards and Crack Dealers: The Shame of Regressivism](#) by [David Michael Green](#)

[Actually, "the Rich" Don't "Create Jobs," We Do](#) by [Dave Johnson](#)

[Go To Top 50 Most Popular](#)



UP TO 600  
HWY. MILES  
PER TANK  
OF GAS.

EQUINOX  
EPA EST 32 MPG HWY

> LEARN MORE

religion and was fully supportive of a woman's right to choose.)

I'm here to tell you that the rich don't create jobs; Democracy creates jobs. Jobs are created when people walk in the door to buy whatever goods and services you have to offer. And people cannot walk in your door unless they have money to spend. Democracy is a shared experience; ideally we are supposed to share in both its costs and benefits; its savings and its sacrifices. Maddeningly, those at the top -- those who already have the most and are getting even more through the actions of a government they seem to view as their private piggy bank -- don't spend their extra millions or billions on job creation. They spend it on second or third private jets, four or fifth vacation homes or Cayman Island tax shelters. They don't create jobs; they export them.

Unless and until we hold every member of Congress or state legislature to account; unless and until we make our voices heard; unless or until we proclaim that Democracy requires shared sacrifice; we, the middle class will continue to be nothing but beggars at a banquet . . . a banquet of dire consequences.

-2011 Kurt F. Stone



www.kurtfstone.typepad.com

Kurt Stone is a rabbi, writer, lecturer, political activist, professor, actor, and medical ethicist. A true "Hollywood brat" (born and raised in the film industry), Kurt was educated at the University of California, the Eagleton Institute of Politics ([more...](#))

The views expressed in this article are the sole responsibility of the author and do not necessarily reflect those of this website or its editors.

Contact Author

Contact Editor

View Authors' Articles

Share this page: (what's this?) Tell a Friend: E-MAIL THIS [Social media icons]

Login to Post a Comment: If you are having problems logging in, click here Username & Password Username: Password: Login Forgot your password? Click here and we'll send it to the email address you used when you registered. To login (or sign-up), you MUST have cookies turned ON. Click here for details (in a new window.) If you have not yet registered with OpEdNews, it's quick and easy:

Find us on Facebook opednews.com Like 826 people like opednews.com. [User avatars: Donald, Motselsi, Teddy, Andrea, Claretta, John, Sandy, Fran, Wolf, Mark]

OpEdNews.com TOP EDITORIALS: US Gets Bad Marks in Amnesty International Annual Report by Mary Shaw Israeli Violence Marks Nakba Day by Stephen Lendman Of Humans and Rights by David Swanson Occupied Haiti : A Prefab President, Parliament and Constitution by Dady Chery Poet, Author, Civil Rights activist Alice Walker says "The Gaza Flotilla is the Freedom Ride of This Era" by Ann Wright Fukushima / Deadly Silence by Allen L Roland Method to the Madness in Ron Paul's War against Civil Rights by earl ofani hutchinson Homelessness -- A Twelve Year Study by Wanda Gray A Banquet of Consequences by Kurt Stone About The Other Side Of The Interviewing Table by Ken Sundheim Class Tyranny/Fascism: Human Nature?? or Parasitic, Enslaving, Blackmailing, Rigged, Structure!! by Eric Schwing State Education Cuts, National Defense Increases by John Iacovelli In America, Being Poor is a Criminal Offense by Rania Khalek change change change... by Craig Coogan DON'T LET THE RICH AND POWERFUL SCARE YOU ABOUT PROGRESSIVISM by Brian Enright Where Is The Beef Against Socialism? by Curt Day Waking the Dead by David Glenn Cox How Crazy is Too Crazy to be President? by Stephen Pizzo Strange Bedfellows: Ayn Rand and the Tea Party Christians by Joe Parko This is the Movie UR GOV does NOT want U2C Pt. 1 by Christopher Rice Re America Loving Its Trained Assassins - Seal Clergyman - Bob Kerrey of 19 Fame by Jay Janson Food risks in Japan: natural disasters and food safety by Sylvain Charlebois TOP LIFE NEWS: More Isaac Witkin -- Nine Bronze Sculptures by GLloyd Rowsey Syrian Revolution Reaches out, Adapts to Assad Regime Tactics by Mac McKinney Now What? by Don Siegelman The Birth of Israel and Pain of Palestine by eileen fleming Food Safety in the Post-Fukushima World by Marianne Banisonek Short Story: "Round" (5th/last in a series) by Philip Zack A book that can change your life: "The Whistleblowers Survival Guide" by Mark Galen Our Kind of Traitor by Dr Stuart Jeanne Bramhall Palestinian Poet Extraordinaire: Remi Kanazi Recites "Only as Equals" in Austin by Mac McKinney After Plane Crash, Lynda Fishman Chose Life by Joan Brunwasser Oil, guns, and movies by Bob Patterson Courts rule that the VA is failing in its treatment of PTSD by Eric Huurre don't seek consensus by e b bortz A Cannon Hits the Mark by Mason Gaffney The Foundation of Religion Fractured, shaky, and exposed by Daniel Geery The Fierce Urgency of All Thing Nuclear: A Book Review in Light of Current Events by eileen fleming World-renowned Executive Coach's Observations on Human-Based Leadership by Joan Brunwasser Short Story: "Face Value" (4th in a series) by Philip Zack Haitian Winter, Part Nine: the Iron Market's Interior Architecture by Mac McKinney Memories Of My Mom On Mother's Day by Allen L Roland Killing Courageously by robert braunstein A 20-Point Plan to Address Environmental Health Disparities by Robert Bullard

Comments:  Expand  Shrink  Hide

No comments [Post Comment](#)

Want to post your own comment on this Article? [Post Comment](#)

[Classics of Liberal Thinking](#)  
[Progressive Radio Links](#)

Tell a Friend: [E-MAIL THIS](#)

Copyright © 2002-2011, OpEdNews

[Powered by Populum](#)

**FiOS® TV + FiOS INTERNET**  
**NO HOME PHONE REQUIRED**

AdChoices   
**SIGN UP BEFORE THE SHOT CLOCK EXPIRES**

NO TERM CONTRACT REQUIRED  
**69<sup>99</sup>** / MONTH  
FOR THE FIRST 6 MONTHS  
\$79.99/MO. 7 MONTHS 7-12  
PLUS TAXES & FEES

Plus get a \$100 Verizon Visa® Prepaid Card

  
**Check Availability**



**Virginia: iPads  
Sold For  
\$23.54!**