

Taking Note

A Century Foundation Group Blog

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Graph of the Day: In Defense of Warren Buffett

by Benjamin Landy



Billionaire investor Warren Buffett became a controversial figure last week when his provocative [op-ed](#), “Stop Coddling the Super-Rich,” landed prominently on the *New York Times* editorial page. “My friends and I have been coddled long enough by a billionaire-friendly Congress,” Buffett wrote. “It’s time for our government to get serious about shared sacrifice.” His suggestion, that the government immediately raise taxes on Americans making more than \$1 million—and even more so on those making in excess of \$10 million—set off a firestorm of criticism from conservatives.

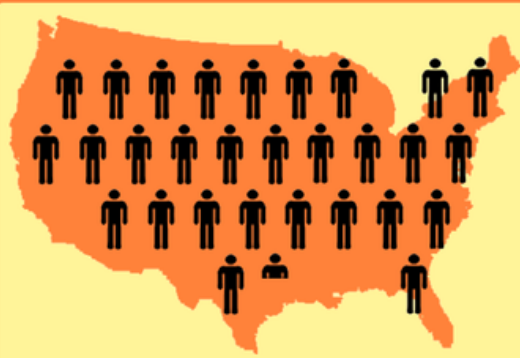
Among the more misguided attacks was a [CNN.com opinion piece](#) by Jeffrey Miron, a senior fellow at the Cato Institute and director of undergraduate studies at Harvard University, who outright dismissed the significance of increased government revenues. “The first problem with Buffett’s view,” Miron writes, “is that the number of super-rich is too small for higher rates to make much difference to our budget problems. . . . Imposing a 10% surcharge on this income would generate at most \$73 billion in new revenue—only about 2% of federal spending.”

Miron is right that \$73 billion won’t solve our “budget problems,” which I take to mean our \$14.4 trillion national debt. Nobody is arguing that. But that hardly means \$73 billion is inconsequential. In order to illustrate just how much money \$73 billion is, I did some research to discover some of the things you could buy with that kind of money. The graphic below shows just a few examples.

\$73 billion is equal to the combined median annual income of 1,460,000 Americans.



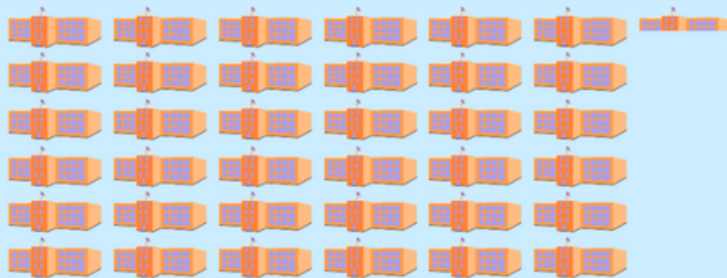
= 50,000
Americans



\$73 billion could pay for the construction of 3,650 new high schools.



= 100 high schools



According to United Nations estimates, \$73 billion could **end world hunger**



for 2.5 years,
and help develop the agricultural infrastructure necessary to permanently solve the hunger crisis.

If you were more militarily inclined, \$73 billion could also buy you sixteen Nimitz-class nuclear-powered aircraft carriers—the largest and most powerful capital ship in the world—or 1,327 brand new F/A-18 Super Hornets from Boeing. And \$73 billion could quintuple NASA's operating budget, providing enough funds to develop and maintain an international lunar base for the next five years, according to [CSIS cost analysis](#). Less than half that amount would provide safe drinking water for the entire planet, helping save the nearly 6,000 children who die every day from diseases associated with contaminated water supplies.

No matter how you choose to look at it, \$73 billion is a lot of money. With all of the problems our country is facing today, can we afford to turn it down?

View more from the [Graph of the Day Series](#).

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