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Rich Have Had a Good Run–Until Now

In explaining Washington's new Wealth Reform/Health Reform plan, with its tax on millionaires, President Obama's press secretary Robert Gibbs had this explanation:

“The President believes that the richest 1% of this country has had a pretty good run of it for many, many, many years.”

This is, of course, quite true. The richest 1% by income rode the credit and real-estate booms and the Bush tax cuts to command their largest share of the economy since the Great Depression. The argument that the past decade has been good for the wealthy is hard to challenge, although Will Wilkenson of the Cato Institute argues this month that the debate over [inequality](#) has been misleading.

The trouble with the Second Gilded Age view of the rich is that the Second Gilded Age is over. Yes, the rich did well for many years. But those years are over. Today, the rich aren't having a good run. In fact, they have fallen flat on their face, [losing more money collectively](#) than at any time in a generation.

Yet there still is a prevailing view in Washington that the rich are getting richer while everyone else suffers. Let the rich pay, they have plenty of money, goes the view. A big reason for this view is that politicians are staring at outdated 2007 data, which doesn't include the recent decimation of wealth at the top.



Associated Press

I am not saying the rich shouldn't be taxed. And I am not saying we don't need to overhaul the health-care system. [Mitch Albom](#) wrote an impassioned column this week about the “good run” quote, saying it amounted to class warfare.

“By making a snarky comment like that, Gibbs suggests that the top 1 percent are a bunch of Bernie Madoffs, that they've been scheming their way to riches, evading the system, hiding their money in complicated off-shore deals. You know—wink, wink—they've had it ‘pretty good.’”

I don't think Mr. Gibbs was comparing the top 1% to Mr. Madoff. But I do think he needs to be straight with the American people: taxing the rich won't raise the needed revenue for the Obama health-care plan, so the other 99% will need to chip in, too.

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