



Ex-Clinton official Robert Reich delivers lecture on greed while earning \$240G to teach one class

By: Joshua Rhett Miller
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Labor Secretary-turned-college professor Robert Reich's latest lectures on income inequality don't square with his \$240,000 salary for teaching just one class, economists tell FoxNews.com.

Reich, who served in the Clinton White House and is now a professor of public policy at the University of California at Berkeley, took on the topic of "Work and Worth" in an Aug. 2 post on his blog. In it, he lamented that there is "little or no relationship" between what someone is paid and their actual worth to society, and he wrapped up his post by calling for student loans to be forgiven for graduates in fields like social work, nursing and teaching.

"The moral crisis of our age has nothing to do with gay marriage or abortion; it's insider trading, obscene CEO pay, wage theft from ordinary workers, Wall Street's continued gambling addiction, corporate payoffs to friendly politicians, and the billionaire takeover of our democracy," Reich wrote in a separate Facebook post.

But a professor who earns a one-percenter's income for a relatively easy workload has a tough time complaining about how unfair the economy is, according to some critics.

"It's definitely hypocritical," said Dan Mitchell of the Washington-based Cato Institute. "And not only does he earn that salary, but I'm sure he pulls in a lot of money from consulting and from giving speeches. But he's obviously in the top 1 or 2 percent, so if he really thinks that society mismeasures these things, then why isn't he giving some of his money away?"

By and large, contrary to Reich's point of view, most workers do "get paid on the basis of their worth," Mitchell said.

"That being said, the much greater problem is that his economic analysis is wrong and perhaps non-existent," he continued. "That's because the private hedge fund people only make money because others voluntarily decide that it's worth it to invest their money with them. People only pay corporate lawyers what they think they're worth."

Reich, whose latest work, "Beyond Outrage," is now available in paperback, was unavailable for comment Wednesday. He earned \$242,613 in 2013, according to a University of California compensation website.

"Professor Reich is out of town, and off the grid for the rest of the summer, unfortunately," his assistant wrote FoxNews.com. "Thank you for thinking of Professor Reich."

The tenor of Reich's recent posts reeks of "wealthy dilettante leftism," Mitchell said, especially when considering that higher education costs have increased far faster than the rate of inflation in recent years.

"So, if we're worrying about people getting exploited, why not focus on the students and the bureaucracy and the higher education system as a whole? That might be a good place to start," Mitchell said.

Peter Morici, a professor of business at the University of Maryland and a Fox News contributor, echoed Mitchell's take, saying most people get paid what the market says they're worth.

"He's just an ideologue, he's not really an economist," Morici told FoxNews.com. "He's basically a social scientist. This is his belief to me; it's not an analytic position."

Morici said Reich's call to redistribute income downward simply won't work because "half of the population" already doesn't pay income tax.

"Basically, he's not thinking systemically, but he's thinking of policies he wants to support his personal values," Morici continued. "That type of thinking to sound economic policy analysis is what faith-healing is to medicine."

The market has a way of bringing salaries in line, according to Joseph Minarik, of the Washington-based think tank Committee for Economic Development.

"Eventually, excessive compensation will be reduced when people offer to provide the same service at lower pay," Minarik said. "That may be true of financial executives, and of university presidents as well. And caring professions will be paid more when we all decide that we will be willing to foot the bill."