



## **Priority #3: The Economy People Want**

- Jobs: Living Wage, Employee Benefits, Consistent Hours, Work With Dignity
- More Equitable Distribution of Wealth
- New and Better Economic Measuring Systems
- Human Growth & Wellbeing Economy vs. Consumer Economy

### **Jobs: Living Wage, Employee Benefits, Consistent Hours, Work With Dignity**

If a person works 40 hours per week, they should be paid enough to support themselves.

If two people in a family each work 40 hours per week, they should be paid enough to support themselves and their family.

Unfortunately, too many people work one and one-plus jobs and are not paid enough to support themselves and/or their families.

There is some effort to raise the minimum wage to \$15 per hour. But depending on the cost of living where people live and work, even that amount does not allow a person or a family to support themselves.

We need to develop a measurement system which takes the variances in the cost of living into account in establishing what is a Living Wage in various geographic areas of our country.

We should look at expanding the Earned Income Tax Credit so that all workers, no matter for whom they work and what type of work they do, will have a living wage to support themselves and their families.

We need to develop and establish policies which provide stability and predictability in work schedules.

And, whereas 40 plus years ago most working people had good health insurance policies, that is no longer the case. We will address that issue separately in next month's Priority #4 on Health Care.

And finally, we need to treat all workers with the dignity and respect which workers deserve. Workers are more than just faceless cogs in the economic system. They are human beings who have responsibilities beyond the workplace. They have hopes and aspirations for themselves, their families, their friends, and their community which the economy should support.

We need to make it easier for workers individually and as a group to be part of the decision-making processes which affect their lives every day. Unions did that for many years. They improved their own work situations. They also helped create a better work environment for non-union workers by setting the standards for employee benefits, including, but not limited to vacation, holiday, sick leave, medical insurance, pensions, etc. Unions can still play an important role in helping workers have a better life.

A new possible step forward to promote better jobs, better pay, and better benefits is to use the internet and other modern communication systems to create ways to connect workers to each other to counter-balance the power and control of large corporations.



## **More Equitable Distribution of Wealth:**

In the previous discussions of Priorities #1 and #2, we looked at the extreme concentration of wealth that has occurred in our country in the last 40 years. Here is a quick reminder. The statistics are truly shocking. For example, **the wealthiest 50 people** in our country have a combined wealth of \$2 trillion. This is the same as the **combined wealth of the bottom 160 million (160,000,000) people** in our country.

The wealthiest 50 people in our country have an average of \$40 billion each (\$40,000,000,000). Jeff Bezos, who owns Amazon, Inc., is the wealthiest at \$177 billion (\$177,000,000,000,000).

The average wealth of the 160 million in the bottom half is \$12,500. That is not anywhere near enough to buy a home. It might be enough to buy a used car so you can get to work every day.

The concentration at the top negatively affects the daily lives of not only the 160 million people who are in the bottom half of the wealth curve, it also has negative effects on another 55 million people who have some wealth, usually with their home as the major component, but who have not gained much wealth in the last 20 years.

In the last year alone, the wealth of the Forbes 400 richest Americans increased \$240 billion while the wealth of most Americans decreased.

No democratic country can thrive or survive over the long run with this huge disparity in wealth.

**New and Better Economic Measuring Systems:** There are three main measurements which are used determine the health of our economy:

- GDP (Gross Domestic Product) is one way to measure one aspect of a country's economy. If GDP is going up, supposedly the economic wellbeing of most Americans should be increasing. That has not been the case for the last 20 plus years.
- Stock market indexes which function as statistical gauges of the market's activities and growth. The Dow Jones Industrial Average (DJIA), Standard and Poor's 500 Index, and the Nasdaq Composite Index are systems commonly used to measure growth in the value of the stock market as a whole. The assumption is that as the stock market indexes go up, Americans should be doing better economically.

This has not been the case for many years, if ever. As an example, during 2020 the year of the coronavirus pandemic, the DJIA increased by 20% while most people in America struggled economically and otherwise. Also, the richest 10% of Americans own 90% of stocks. Most Americans do not own stock. While a small, very wealthy group of Americans benefitted greatly from the rise in the value of stocks, the great majority of Americans saw no increase or a decrease in their wealth.

- Unemployment percentages are a third measurement used to assess the strength of the economy. Certainly, having more people working is a plus. But if their pay is low and they do not have benefits, unemployment rates tell only part of what we need to know to assess how well the economy and workers are doing.

These measures still have validity and should continue to play a role in our economy. But we need to develop a broader base of measurements which give us information which speaks to how all Americans are doing from an economic standpoint as well as from other important aspects of our lives.



## **Human Growth & Wellbeing Economy vs. Consumer Economy**

Since the 1950's, our economy has been built around the idea that the more we buy consumer goods, the happier we will be. The 1950's saw the rise of Madison Avenue advertising executives and firms which promoted the purchase of consumer products. This rise in advertising was tied to the growth in radio and television from the 1940's to the 1990's. During this time period, the advertising messages the average American saw and/or heard on TV, on the radio, and in print, increased from about 100 advertising messages to about 1,000 advertising messages a day.

Then came the internet. Advertising to buy things has grown to unbelievable amounts. Depending on where you live, your career, and how much time you spend online, Americans receive between 4,000 and 10,000 advertising messages per day. Most of them we screen out. But we are still exposed to them and to the idea that, if we purchase all kinds of things, we will have better and happier lives.

We all need to buy things to live a normal, healthy life. But there is a point where buying things does not add to our wellbeing and the wellbeing of our families. In fact, it distracts us from pursuing non-consumer aspects of our lives as we strive to grow and develop as human beings, which is very important to us such as:

- Family time
- Care for our children and aging family and friends
- Hobbies and crafts
- Developing our artistic talents
- Enjoying beautiful music and art
- Learning for the joy of it
- Creating meaningful and mutually supportive friendships
- Participating in healthy and fun physical activities
- Civic engagement
- Building a more sustainable world

One of the problems economists wrote about through the 1930's and into the 1960's was what people would do as the work week was shrinking. At the turn of the 20<sup>th</sup> century, workers worked 6 or 7 days a week and 10 to 12 hours a day. In the 1920's through the 1940's the work week shrank to a 5 day work week. The workday started to shrink to 8 hours a day and was moving toward 7 hours a day.

The question for many economists back then was what would people do with their leisure time as the work week shrank even more because of the advancement in production processes and technologies?

Unfortunately, the economic system went in the direction of more hours of work, including 24/7 hour availability of workers via beepers in the 1980's and 1990's, and then smart phones in the 21<sup>st</sup> century. All of this has occurred in order to not only make a profit, but to maximize profits.

We need to re-imagine and re-create our economy so that it promotes full human growth and development and not just more consumption.

**People want a better, more equitable, and fairer economy.**

**It can be done. We need to support new and creative efforts to do so.**