

Meanwhile, a record share of the nation's wealth remains in the hands of the nation's billionaires, who are also paying a lower tax rate than the average American.

How do the ultra-wealthy justify their wealth and their low tax rates? By using three myths – all of which are utter rubbish.

The first is trickle-down economics.

Billionaires (and their apologists) claim that their wealth trickles down to everyone else as they invest it and create jobs.

Really? For more than 40 years, as wealth at the top has soared, almost nothing has trickled down. Adjusted for inflation, the median wage today is barely higher than it was four decades ago.

Trump provided a giant tax cut to the wealthiest Americans, promising it would generate \$4,000 increased income for everyone else. Did you receive it?

In reality, the super-wealthy don't create jobs or raise wages. Jobs are created when average working people earn enough money to buy all the goods and services they produce, pushing companies to hire more people and pay them higher wages.

The second myth is the “free market”.

The ultra-rich claim they're being rewarded by the impersonal market for creating and doing what people are willing to pay them for.

The wages of other Americans have stagnated, they say, because most Americans are worth less in the market now that new technologies and globalization have made their jobs redundant.

Baloney. Even if they're being rewarded, there's no reason why the “free market” would reward vast multiples of what the rich were rewarded with decades ago.

The market can induce great feats of invention and entrepreneurship with lures of hundreds of thousands or even millions of dollars – not billions.

As to the rest of us succumbing to labor-replacing globalization and labor-saving technologies, no other advanced nation has nearly the degree of inequality found in the United States, yet all these nations have been exposed to the same forces of globalization and technological change.

In reality, the ultra-wealthy have *rigged* the so-called “free market” in the US for their own benefit. Billionaires’ campaign contributions have soared from a relatively modest \$31m in the 2010 elections to \$1.2bn in the most recent presidential cycle – a nearly 40-fold increase.

What have they got for their money? Tax cuts, freedom to bash unions and monopolize markets and government bailouts. Their pockets have been further lined by privatization and deregulation.

The third myth is that they’re superior human beings.

They portray themselves as “self-made” rugged individuals who “did it on their own” and therefore *deserve* their billions.

Bupkis. Six of the 10 wealthiest Americans alive today are heirs to fortunes passed on to them by wealthy ancestors.

Others had the advantages that come with wealthy parents.

Jeff Bezos’s garage-based start was funded by a quarter-million-dollar investment from his parents. Bill Gates’s mother used her business connections to help land a software deal with IBM that made Microsoft. Elon Musk came from a family that reportedly owned shares of an emerald mine in southern Africa.

Don’t fall for these three myths.

Trickle-down economics is a cruel joke.

The so-called free market has been distorted by huge campaign contributions from the ultra-rich.

Don’t lionize the ultra-rich as superior “self-made” human beings who deserve their billions. They were lucky and had connections.

In reality, there is *no justification* for today's extraordinary concentration of wealth at the very top. It's distorting our politics, rigging our markets and granting unprecedented power to a handful of people.

The last time America faced anything comparable was at the start of the 20th century.

In 1910, former president Theodore Roosevelt warned that “a small class of enormously wealthy and economically powerful men, whose chief object is to hold and increase their power” could destroy American democracy.

Roosevelt's answer was to tax wealth. The estate tax was enacted in 1916, and the capital gains tax in 1922.

Since that time, both have eroded. As the rich have accumulated greater wealth, they have also amassed more political power – and have used that political power to reduce their taxes.

Teddy Roosevelt understood something about the American economy and the ultra-rich that has now re-emerged, even more extreme and more dangerous. We must understand it, too – and act.

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<https://www.theguardian.com/commentisfree/2022/oct/02/ultra-rich-low-tax-rates-economy-myths#comments>

“Trickle down economics” is like Wascana Creek in October—or January. And all the “philanthropy” the rich indulge in is to ultimately serve their purposes, not ours. Taxation would be spent on what ordinary people really want and need.

All it would take is for people to wisen up and let legislators know that no matter how much money the rich donate to their campaigns and they try to sell this swindle to us, we will not vote for them, and that we will vote instead for anyone who takes them to task and reigns them in. But ... yada yada yada

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