**INCOME and WEALTH Inequality**

Pope Francis told over 10 million online followers, “Inequality is the root of social evil.”

 In his “The Joy of the Gospel” the Pope expanded: *The need to resolve the structural causes of poverty cannot be delayed.... As long as the problems of the poor are not radically resolved by rejecting the absolute autonomy of markets and financial speculation and by attacking the structural causes of inequality, no solution will be found for the world’s problems, or, for that matter, to any problems. Inequality is the root of social ills.*

**NETWORK**, the national social action lobby, at www.networklobby.org, says:

**“Our goal**is to bring a politics of inclusion to divided places, change the conversation to mending the vast economic and social divides in our country, and counter political incivility with our message of inclusion.



Why does this matter? Because the concentration of wealth traps people in poverty, hurts the middle class, and diminishes many measures of our nation’s well-being. It also results in a political power gap that shapes the policies and laws of our government.”

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Check out these survey results. Are you surprised by the size of this problem?

Are you then not surprised by Pope Francis’ extreme point of view?



One interesting aspect of wealth inequality is that Americans vastly underestimate the degree of inequality. Today the top one percent of our society holds 24% of the total wealth in the country. This is the most intense concentration of wealth at the top of the ladder since 1929.

**What can be done? There are plenty of options. See the reverse for 18 serious possibilities.**

**Then find which of these your elected representatives (state and federal) are pushing for.**



**18 Solutions to Fight Economic Inequality**

**Full employment**. If the private market fails to provide enough jobs to achieve full employment, **the government must become the employer of last resort**.

**Implement universal pre-K**, with subsidies that phase out as incomes rise.

**Raise the minimum wage to $12/hour by 2020 and raise the overtime salary threshold**(beneath which all workers get overtime pay) from $455/week to $970/week and index it to inflation.

**Provide better oversight of financial markets**: mandate adequate capital buffers, enforce a strong Volcker Rule against proprietary trading in FDIC-insured banks, strengthen the Consumer Financial Protection Bureau, and encourage vigilant oversight of systemic risk in the banking system by the Federal Reserve.

**Create jobs by investing in infrastructure**, developing renewable energy sources, renovating abandoned housing and significantly increasing affordable housing investments, and making other commonsense investments to revitalize neighborhoods.

**Improve job quality and**[**strengthen families**](https://www.americanprogress.org/issues/poverty/report/2015/01/12/104149/valuing-all-our-families/) by raising the minimum wage to $12/hour by 2020; ensuring pay equity by passing the Paycheck Fairness Act; strengthening collective bargaining; and enacting basic labor standards such as fairer overtime rules, [paid sick and family leave](https://www.americanprogress.org/issues/labor/report/2013/12/12/80889/job-protection-isnt-enough/), and right to request flexible and predictable schedules.

**Make the tax code work better for low-wage working families** by making permanent the 2009 Earned Income Tax Credit (EITC) and Child Tax Credit improvements and expanding the EITC for childless workers and noncustodial parents.

**Enact comprehensive immigration reform** that provides a pathway to citizenship for undocumented immigrants.

**Expand Medicaid** and ensure that all Americans can access high-quality, affordable health coverage.

**Close tax loopholes** that benefit the wealthy and special interests and raise taxes on capital income.

**Ensure that the wealthiest people and profitable corporations that benefit the most from our political and economic system contribute their fair share**: [reform “upside-down” tax expenditures](https://www.americanprogress.org/issues/tax-reform/report/2011/10/20/10410/six-principles-for-tax-expenditure-reform/) (spending through the tax code that disproportionately benefits those with higher incomes), limit corporate welfare, and enact a robust inheritance tax.

**Increase affordable housing and bolster consumer financial protection rules**—promote fair and accessible banking, savings, and other financial vehicles and services for those [excluded](https://www.fdic.gov/householdsurvey/) or abused by the current system.

**Reduce the over-incarceration and over-criminalization by every level of government** that restricts millions of Americans’ ability to support themselves and their families—especially among communities of color and high poverty areas.

**Make state tax systems less regressive.** State tax systems tend to [ask the most from those with the least](http://www.cbpp.org/blog/swapping-state-income-taxes-for-bigger-sales-taxes-would-make-tax-systems-even-less-fair) because they rely heavily on sales taxes and user fees, which hit low-income households especially hard. States can move their tax systems in a more progressive direction by [strengthening their income taxes](http://www.cbpp.org/blog/shifting-from-income-to-sales-taxes-wont-boost-state-economies), [adopting state earned income tax credits](http://www.cbpp.org/research/state-budget-and-tax/states-can-adopt-or-expand-earned-income-tax-credits-to-build-a) (or other low-income tax credits) to boost after-tax incomes at the bottom, and [rejecting tax cuts](http://www.cbpp.org/research/state-personal-income-tax-cuts-a-poor-strategy-for-economic-growth) that disproportionately benefit higher-income families and profitable corporations.

**Expand early education.** States can help families work and kids learn by investing in quality, affordable early care and education programs, as well as after-school programs.

**Raise the minimum wage:** Raising the minimum wage to $12 by 2020 would benefit about a third of the workforce directly and indirectly.

**Update overtime rules:** Moving the overtime threshold to the value it held in 1975—roughly $51,000 today—would provide overtime protections to 6.1 million workers and provide those workers with higher pay.

**Strengthen and protect workers:** Strengthen collective bargaining rights to help give workers the leverage they need to bargain for better wages and benefits and to set high labor standards for all workers, and support strong enforcement of labor standards to protect workers.

**Go to** [**www.talkpoverty.org/2015/06/10/solutions-economic-inequality/**](http://www.talkpoverty.org/2015/06/10/solutions-economic-inequality/) **for even more info.**

**Sample letter to your elected representative**

**on Economic Inequality**

Dear Congressman/woman / Senator [Name],

I am one of your constituents, living in [City, State], and am writing you today to urge you to make something happen about the extreme and growing economic inequalities happening in our country and state.

In his [encyclical](http://w2.vatican.va/content/francesco/en/encyclicals/documents/papa-francesco_20150524_enciclica-laudato-si.html), Pope Francis spoke often of [the injustice of inequality](http://talkpoverty.org/2015/06/10/solutions-economic-inequality/) and strongly criticized consumerist, profit-seeking economies like ours as economies of exclusion, where short-term gains take precedence over [long-term justice](http://talkpoverty.org/2015/06/12/aramark-georgetown-university/).

Marketplace solutions will not address these injustices we face today. Our government, and you as a legislator, must work persistently to include everyone in our economy.

Please bring about FULL Employment, LIVING Wages, UNIVERSAL Healthcare, EQUAL Education, PROGRESSIVE Taxation, AFFORDABLE Housing, for Everyone.

We have the strongest economy in the world. Please make our economic system the strongest for all residents of our country.

Thank you.

Sincerely,

**Talking Points on Income & Wealth Inequality:**

* Income Inequality will always exist in our society – today the gap is too large to support society’s human dignity goal
* Government , by itself, can not close the gap because it is not in the government’s self-interest to do so
* Capitalism is a desirable driver of change but it has overwhelmed society’s obligation to care for its needy members
* Change must occur in our tax laws, our legislative initiatives and our population treatment priorities to allow the gap to begin closing. More government subsidies to poor people, by itself, will not solve this problem, as demonstrated in the last 60 years since LBJ’s Poverty campaign.  A consolidated campaign as we have suggested in our BTC mission which brings together government, business and religious leaders with the priority to follow Pope Francis’ advice regarding attacking the structural causes of poverty in a consolidated way can resolve the inequality of wealth.
* Consider using the model of The Giving Pledge formed by the world’s billionaires to gather wealth and distribute it to those “in need”.  It’s only a start and unless society adopts a more “balanced human dignity” pledge, even this campaign will become ineffective.