

Poverty Amid Plenty. A World Fragmented by Inequality

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Global Research, February 08, 2023

[TomDispatch](#) 7 February 2023

Theme: [Poverty & Social Inequality](#)

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A few weeks ago, the world's power brokers — politicians, CEOs, millionaires, billionaires — met in Davos, the mountainous Swiss resort town, for the 2023 [World Economic Forum](#). In an annual ritual that reads ever more like Orwellian farce, the global elite gathered — their private jets lined up like gleaming sardines at a nearby private airport — to discuss the most pressing issues of our time, many of which they are chiefly responsible for creating.

The 2023 meeting was organized around the theme of "Cooperation in a Fragmented World" and the topics up for debate were all worthy choices: climate change, Covid-19, inflation, war, and the looming [threat of recession](#). Glaringly missing, however, was any honest investigation of the deeper context behind such an epic set of crises — namely, the reality of worldwide poverty and the extreme inequality that separates the poor from the rich on this planet.

Every year, Oxfam, a global organization that fights inequality to end poverty and injustice, uses the occasion of Davos to release its latest rundown on global inequality. This year's report, "[Survival of the Richest](#)," offered a striking vision of global poverty from the trenches of the pandemic years. Imagine this as a start: in the last two of those years, the world's richest 1% captured almost two-thirds of all new wealth, or twice that of the bottom 99%. Put another way, this planet's billionaires have collectively "earned" (and yes, that's in quotation marks for obvious reasons) \$2.7 billion *every one* of the last 730 days. Meanwhile, in 2021 alone, at least [115 million people](#) fell into "extreme poverty," with billions more hanging on by a tenuous thread. By 2030, Oxfam [reports](#), the world could be facing the "largest setback in addressing global poverty since World War II."

The grim realities laid out in the report left me wondering: What kind of cooperation were they talking about at Davos? Did they mean a collaboration among all global communities? (Not likely!) Or did they mean the continued partnership of economic elites intent, above all else, on protecting their own wealth? And what of fragmentation? Amid increasing warfare and beneath the ongoing fracturing of democracies (including our own, thanks in part to a

[billionaire](#) whose name I hardly need mention), nations, and long-held international arrangements, do they recognize the deepest fragmentation of all, that caused by so much needless suffering and inexcusable gluttony?

Poverty Amid Plenty

Here in the United States, it's the same story: untold wealth and shocking want, even as House Republicans are threatening to slash programs like Medicare and Social Security just weeks into a new congressional session. Today, in one of the richest nations in the world, [nearly half](#) the population is either poor or a single \$400 emergency away from poverty. The moral and cognitive dissonance of such a reality can be difficult to fathom, as can the numbers. At a time when the U.S. economy is valued at nearly \$25 trillion and the wealth of the three richest Americans [exceeds \\$300 billion](#), at least 140 million people strain to meet their basic needs and face the daily threat of economic ruin thanks to one pay cut, layoff, accident, extreme storm, or bad medical diagnosis.

Over the last 50 years, CEOs have taken ever bigger chunks out of the paychecks of their workers, so much so that the average CEO now makes [670 times](#) more than his or her employees. It tells you how far we've come that, in 1965, that number was "just" 20 times more. Meanwhile, the federal minimum wage (\$7.25 an hour, or about \$15,000 a year) has remained remarkably low, hurting not only those who earn it, but millions of other workers whose employers use it as the floor for their own pay scales. Bear in mind that if the minimum wage had kept up with the economy's overall productivity over the last half-century, it would now be [\\$22 an hour](#), or close to \$50,000 a year.

All of this has occurred in an era of policymaking intensely antagonistic to the poor and all too favorable to the rich. In the early 1970s, wages began to level off as the economy was riven by rising unemployment, low growth, and inflation, otherwise known as "[stagflation](#)." This was also a period of labor militancy. As economic geographer David Harvey has [pointed out](#), for the U.S. economic elite, these conditions posed a two-fold threat — politically, to their ability to hold sway within the highest reaches of the government and, economically, to their ability to maintain and build their wealth.

America's CEOs found relief in the theories of an insurgent wave of neoclassical economists pioneering a model of capitalism that came to be known as "neoliberalism." What emerged was a political project aimed at restoring the full-throated power of the wealthy, whose playbook included: decreased public spending, greater privatization, increased deregulation of banking and financial markets, slashed taxes, and pulverizing attacks on organized labor.

Since then, our economy has indeed been reshaped. At the bottom, growing parts of the workforce are now non-unionized, low-wage, often part-time, and regularly without benefits like health care, paid sick leave, or retirement plans. This labor crisis has been accompanied by an unprecedented [\\$15 trillion-plus](#) in personal (including mounting medical and student) debt. As a result (as I [wrote](#) in 2021 with Astra Taylor), "millions of Americans aren't just poor; they have less than nothing. The American dream is no longer owning a house with a white picket fence; it is getting out of debt. In one of the richest countries in the world, millions of people now aspire to have zero dollars."

The view looks very different from the top. The first two years of the pandemic marked the [most unequal](#) recession in modern American history, with the wealth of the country's 651

billionaires actually increasing by [more than \\$1 trillion](#) to a total of about \$4 trillion. At the start of 2020, Jeff Bezos was the only American with a net worth of more than \$100 billion. By the end of that year, he was joined by Bill Gates, Elon Musk, and Mark Zuckerberg. At Amazon, where the median pay in 2020 was [about \\$35,000](#) a year, Bezos could have distributed the \$71.4 billion he made that year to his own endangered workers and would still have had well over [\\$100 billion](#) left.

As an anti-poverty organizer, I'm regularly asked if we can afford to end poverty, even as politicians and economists cite the specter of scarcity to justify inaction or even outright anti-poor policies. Look at the debate over the debt ceiling taking place in Congress right now and you'll see Republicans putting social programs on the chopping block in an attempt to both delegitimize and defund the government. If, however, you were to focus on the abundance unequally circulating around us, it's clear that scarcity is a lie, a political invention, used to cover up vast reservoirs of capital that could be marshaled to meet the needs of everyone in this country and the world.

Don't be fooled. We're not living in a time of insufficiency, but in a golden age of plenty amid grotesque poverty, of abundance amid unbearable forms of abandonment.

To Tackle Poverty, Tackle Wealth

Despite the capacity to wipe out poverty altogether, antipoverty advocacy generally operates within two interdependent philosophical frameworks: mitigation and charity. The first assumes that poverty is indeed a permanent feature of our economy best alleviated by [job-training](#) programs, [fatherhood initiatives](#), and [work requirements](#), but never to be abolished outright. The second approaches poverty as a sad social condition that exists on the margins of society and treats poor people as, at best, pitiable and, at worst, pathological. Together, those two frameworks funnel billions of dollars in charitable and philanthropic giving to explicitly apolitical measures directed downstream from the source of poverty.

While such giving does indeed help many impoverished people meet immediate needs, it does very little to confront poverty in its fullness or why it exists in the first place — and in most cases, the help is inadequate given the need. No wonder the wealthy tend to be the biggest proponents of mitigating [poverty through charity](#), because to fundamentally address the problem would also mean addressing the unequal distribution of political power in our world.

Oxfam's new report is a good place to explore this, since it not only critiques inequality, but offers possible solutions to the nightmares such a situation creates, above all increasing tax rates on the wealthy, which right now are mind-numbingly low. Consider this [statistic](#): "Elon Musk, one of the world's richest men, paid a 'true tax rate' of about 3% between 2014 and 2018. Aber Christine, a flour vendor in Uganda, makes \$80 a month and pays a tax rate of 40%."

To counter this, Oxfam proposes that worldwide taxes on the income of the richest 1% be raised to at least 60% (with even higher rates for multimillionaires and billionaires). They also suggest that taxes on the wealthy be levied in such a way that their number would be dramatically reduced and their wealth redistributed to meet the needs of the poor.

[Gabriela Bucher](#), Oxfam's executive director, explained it this way:

“Taxing the super-rich is the strategic precondition to reducing inequality and resuscitating democracy. We need to do this for innovation. For stronger public services. For happier and healthier societies. And to tackle the climate crisis, by investing in the solutions that counter the insane emissions of the very richest.”

A New and Unsettling Force

People often ask me for a plan to end poverty. Usually that means they want to know what policy positions and prescriptions to advocate for, a line of inquiry on which I have plenty of thoughts. As a start, I refer them to the [fulsome agenda](#) of the [Poor People’s Campaign](#) (that I co-chair), including our demands for fair tax policy. But long ago, Reverend Martin Luther King, Jr., suggested an approach to lifting the load of poverty that goes far beyond any single program or policy.

Some months before the launch of the Poor People’s Campaign in 1968, having been endlessly asked for an itemized list of demands, King [answered](#) this way:

“When a people are mired in oppression, they realize deliverance when they have accumulated the power to enforce change. When they have amassed such strength, the writing of a program becomes almost an administrative detail. It is immaterial who presents the program. What is material is the presence of an ability to make events happen... The call to prepare programs distracts us excessively from our basic and primary tasks... We are, in fact, being counseled to put the cart before the horse... Our nettlesome task is to discover how to organize our strength into compelling power so that government cannot elude our demands. We must develop, from strength, a situation in which government finds it wise and prudent to collaborate with us.”

The 1968 [Poor People’s Campaign](#) emerged on the heels of the Civil Rights Movement’s biggest legislative victories. At the time, King [pointed out](#) that, beneath the legal scaffolding of Jim Crow and institutionalized racism, areas in which they had made significant gains, millions of Black people remained locked in poverty in the South, as well as across the country, as did so many others from different racial and ethnic backgrounds. King himself was surprised to learn that poor white people actually outnumbered poor Black people nationally. Taking that into consideration, he counseled that the movement had to make an evolutionary leap from “civil rights to human rights” and from “reform to revolution.”

This may not be the King whom the nation chooses to remember every mid-January in glitzy speeches by politicians who vehemently oppose the very positions for which he gave his life. In fact, this year, on that very commemorative day, I couldn’t help but think of the words of [poet Carl Hines](#):

“Now that he is safely dead, let us praise him, build monuments to his glory, sing hosannas to his name. Dead men make such convenient heroes. They cannot rise to challenge the images we would fashion from their lives. And besides, it is easier to build monuments than to make a better world.”

But the truth is that, right up to his last breath, King was deeply concerned about a nation, weighed down by war, racism, and poverty, that was quickly approaching the irreversible fate of “[spiritual death](#).” Years of experience, and the guidance of others, had convinced him that the next chapter of the struggle required a mass movement of a breadth and depth not yet awakened. As he came to see it, strategically speaking, the unity of the poor would

be the Achilles heel of a society desperately in need of restructuring. If poor people could unite to form a new political alliance across the lines that historically divided them, they would be uniquely positioned to lead a broad and powerful human-rights movement that confronted militarism, racism, and economic exploitation together.

The same is no less true today. To end poverty, our smartest and most innovative ideas have to be brought to the table. The right analysis alone, however, won't end poverty. That will only happen through a movement or movements transforming the hurt and pain of millions into, as King once put it, a "[new and unsettling force](#)" carrying this nation to higher and more stable ground.

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