

A Way Out of the Money Trap

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Nomi Prins had spent many years working for Wall Street “predatory” firms like Goldman Sachs, Bear Stearns and Lehman Brothers. She then became ‘born again progressive’ and tells it like it is. Recently, this writer read a fine piece of hers about the inequality of income and wealth in our nation. In it Nomi explains how the top one tenth of one percent (0.1) of Americans possess as much wealth as 90 percent of us. And, Prins reveals, 90 % of Americans owe 3/4 of the country’s household debt (mortgages, auto loans, student loans, credit card debt to name but a few items of debt). These debts are now at a record high \$13.5 trillion! Here is a way out of this tragic unfairness:

- The federal income tax rate is now at a high of 37% if a person earns in excess of \$ 500,000 a year. Looking back, the top rates for the decades of 1950s, 60s and 70s never dipped below 70%. Under Reagan and his gang the top rate was slashed to 50% in 1981. So, look how great the super rich have it now! It is time to *Surtax the Super Rich and leave the 99+ % of us as is*. Let’s shout for a FLAT SURTAX OF 50% for any income of over one million dollars a year. This would only affect the millionaires. Anyone earning up to one million would be taxed as is now. Once they go over that amount, half of their earnings of over one million goes to the treasury, and half they keep... tax free. How many working stiffs would be satisfied with that deal? Since 99+ % of us would not be in that basket, why not stimulate the economy with all those billions for the common good?
- Social Security contributions of 6.2 % per worker and employer currently cap at \$132,000 in earnings per year. By eliminating that ceiling the Social Security fund would really be in the black forever. Plus, there could be real and generous annual ‘Cost of living’ increases in how much retirees can receive. How many hard working stiffs who rely on that monthly check would really appreciate the added dollars to live more decently?
- Implement Robert Reich’s idea for a Payroll Tax forgiveness plan. Why not make all contributions to the Payroll Tax forgiven up to the first \$20k a year in earnings? If the employee and the employer can keep the 7.65% contribution, each would save over \$1500 a year, tax free. Of course, this forgiveness plan should have a cap at 50 employees per business for the employer’s contribution, NOT the individual worker’s. This would really stimulate the economy, and cut down the use of ‘off the books’ employment. Why would a small business hire ‘off the books’ workers when by keeping all ‘on the books’ would be more viable? Do the math yourself. Having had personal experience as a partner in a small cafe, this writer can attest to how Mom and Pop businesses could use that financial aid. They could use that savings to pay their employees better and operate more successfully via increased advertising etc.

We hardly even see these super rich who hold that 1/10 of 1 % of our nation's wealth. They don't live anywhere near where we live. They don't usually eat in the places we eat. Sadly, they say that in our country 'Royalty is dead' ... well it isn't and never was.

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Philip A Farruggio is a son and grandson of Brooklyn, NYC longshoremen. He has been a freelance columnist since 2001, with over 400 of his work posted on sites like Global Research, Greenville Post, Off Guardian, Consortium News, Information Clearing House, Nation of Change, World News Trust, Op Ed News, Dissident Voice, Activist Post, Sleuth Journal, Truthout and many others. His blog can be read in full on World News Trust, whereupon he writes a great deal on the need to cut military spending drastically and send the savings back to save our cities. Philip has a internet interview show, 'It's the Empire... Stupid' with producer Chuck Gregory, and can be reached at paf1222@bellsouth.net.

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