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Response

Author: [Bruce Rittenhouse, U. Chicago](#) (---.uchicago.edu)

Date: 01-17-06 08:46

I agree with Franklin Gamwell's argument that growing poverty and increasingly unequal social and economic access in the United States violate God's intentions for justice in human society. However, I believe these trends can be traced to structural changes in the U.S. economy, and not simply growing conservatism. Therefore I would like to examine Gamwell's argument at two points: first, his claim that inequality is a cause of poverty, and second, his attribution of political tolerance for unjust socioeconomic outcomes to the corrupting influence of economic inequality and conservative ideology.

First, let us distinguish between inequality of income creation and inequality of income distribution. John Stuart Mill contends, "The laws and conditions of the production of wealth partake of the character of physical truths. . . . The distribution of wealth . . . is a matter of human institution solely." (1) Income creation has grown increasingly unequal in the United States since the 1970s due to structural changes in the economy, particularly the American economy's transition from industry to information services as the locus of wealth creation and the integration of worldwide markets known as globalization. Globalization gave the capital of developed nations access to an enormous pool of poor, less-skilled laborers in developing nations. This had two effects. First, the supply of capital became scarcer relative to the supply of labor, increasing the economic returns to capital and depressing economic returns to labor. Second, the supply of highly skilled laborers—those whom Robert Reich calls symbolic analysts—became scarcer relative to the supply of less-skilled laborers—those whom Reich calls routine producers and in-person servers. (2) This increased the wages of symbolic analysts and depressed the wages of routine producers and in-person servers. Among the ranks of symbolic analysts, the winner-take-all nature of globally-integrated information service markets delivers enormous economic rewards to a small number of best-in-market performers, and diminishing rewards to next-best performers. (3)

When we turn to U.S. income distribution, what we find is that redistribution has not kept pace with growing inequality in income creation. Clearly a more just income distribution would be possible if the wealthy used most of their resources to better the conditions and opportunities of the underprivileged, and just as clearly the wealthy as a group have never directed their resources in this manner. As Reinhold Niebuhr writes, "Whatever may be possible for individuals, we see no possibility of a group voluntarily divesting itself of its special privileges in society." (4) Therefore government is the only means through which inequality of income distribution can be made less than inequality of income creation. However, the U.S. government has not redistributed income sufficiently to counteract the trend towards increasingly unequal income creation. This returns us to the question of what lies behind Americans' increasing political tolerance for unjust socioeconomic outcomes.

While Gamwell claims that economic inequality yields political tolerance for injustice, I have argued that political tolerance for injustice produces economic inequality. I do not dispute that economic elites act self-interestedly in the political arena, but this does not explain the acquiescence of the American majority to government that serves elite interests. Nor does it explain the increased popularity of other-worldly theology

which supports conservative ideology. I propose that both are attributable to socioeconomic developments, particularly the insecurity which resulted from the economic trends I described above and from Americans' responses to these trends. Global competition, rapid technological change, winner-take-all markets, and increasingly unreliable employer-financed health and pension benefits made U.S. households' income increasingly uncertain, even though income rose for most households. This economic insecurity fostered increased labor mobility. Moreover, most of the income gains for U.S. households since the 1970s were due to increased workforce participation and work hours, not growing wages. Increased mobility and time devoted to work have seriously eroded American community life. Voluntary associations, political participation, union membership, and church membership all declined. The diminishment of these institutions and increasingly Darwinist business models eroded trust and increased insecurity. Robert Putnam argues convincingly that insecurity and lack of civic engagement encourage elitist, laissez-faire government. (5) This implies that Americans' responses to economic stagnation and insecurity lie at the root of their growing acquiescence to increasingly unequal income and increasingly unequal social and economic access.

Notes:

1. John Stuart Mill, *Principles of Political Economy, with Some of Their Applications to Social Philosophy*, ed. William Ashley (Fairfield, NJ: Augustus M. Kelley, 1987), 199-200.
2. Robert B. Reich, *The Work of Nations: Preparing Ourselves for 21st-Century Capitalism* (New York: Vintage, 1992), 174-179.
3. For a description of winner-take-all markets, see Robert H. Frank and Philip J. Cook, *The Winner-Take-All Society: Why the Few at the Top Get So Much More Than the Rest of Us* (New York: Penguin, 1995).
4. Reinhold Niebuhr, "The Ethic of Jesus and the Social Problem," in *Love and Justice*, ed. D. B. Robertson (Louisville: Westminster/John Knox, 1957), 34.
5. Robert D. Putnam, *Making Democracy Work: Civic Traditions in Modern Italy* (Princeton: Princeton University Press, 1993), 101, 112.

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Re: Response

Author: [Michael McLaughlin](#) (---.onoc.net)

Date: 03-02-06 10:31

Professor Gamwell's analysis seems to miss the connection between what he terms "private virtue" and economic success. The society rewards initiative, persistence, long working hours, delayed gratification and generally taking responsibility for one's choices in all aspects of life, including childbearing.

I do not see why adolescent pregnancy has to be rewarded by social benefits. Conservatives reject the concept that generation after generation of persons has to be "rescued" from their own poor choices because they are passive "victims". They also reject multiple abortions as a solution to choices about sexual behaviour. I do not see why my own income has to be redistributed in such a way as to effectively incentivize behaviors which I believe to be destructive of the social fabric. Obviously my version of the social fabric is not the Norwegian agnostic, socialist one. I think we are faced with irreconcilable differences here and thus the "divorce" between the two groups. Economic

insecurity makes it worse I agree.

I would be in favor of a certain parity of opportunities but not of forcing equality of outcomes . Apocalyptic predictions about the results of the reform of welfare have proven to be wrong. Instead, some were forced to start taking responsibility for becoming employed and employable.

I prefer not to have my income owned by the State which then grants me an allowance to live on after aggressive taxation.

Religious conservatives actually believe that there is a moral standard which cannot be endlessly deconstructed or relativized.

Parenthetically, I have always found the tenured Marxist writing from his sabbatical retreat to be an interesting paradox.

Michael McLaughlin

Religion Dept

Saint Leo University Bruce Rittenhouse, U. Chicago wrote:

- > I agree with Franklin Gamwell's argument that growing poverty
- > and increasingly unequal social and economic access in the
- > United States violate God's intentions for justice in human
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- > distribution of wealth . . . is a matter of human institution
- > solely." (1) Income creation has grown increasingly unequal in
- > the United States since the 1970s due to structural changes in
- > the economy, particularly the American economy's transition
- > from industry to information services as the locus of wealth
- > creation and the integration of worldwide markets known as
- > globalization. Globalization gave the capital of developed
- > nations access to an enormous pool of poor, less-skilled
- > laborers in developing nations. This had two effects. First,
- > the supply of capital became scarcer relative to the supply of
- > labor, increasing the economic returns to capital and

> depressing economic returns to labor. Second, the supply of
> highly skilled laborers—those whom Robert Reich calls symbolic
> analysts—became scarcer relative to the supply of less-skilled
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> depressed the wages of routine producers and in-person servers.
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