
LWV of Albany County

March 2009

Educate

Participate

Advocate

Souper Supper: Gun Violence in Albany County Speaker: David Soares, Albany County District Attorney



Thursday, March 26, 5:30 pm
Bethlehem Public Library, Delmar



David Soares, Albany County District Attorney (DA), will talk with us about gun violence in Albany County. His office has developed prevention and intervention programs to deal with the urban violence in Albany. The violence is the direct result of a proliferation of handguns on our streets and a culture of youth that is all too willing to use lethal force to settle disputes. It is time for our community to unite, and take back the streets of Albany County. The youth crime and gang prevention programs will provide the resources and support to make that happen. Come to learn more about his recommendations and how the community can help.

Mr. Soares plans to continue and expand on the successes of his initial initiatives, reduce street violence through creative, non-traditional means, build hope for the people of Albany County by restoring the community, deal with the crisis of re-entry and emphasize prevention over prosecution.

David lives in Albany County with his family where he is proudly known as a father, husband, neighbor, coach, and teacher.

For more information got to: <http://www.albanycountyda.com/>

Please call Gael Vecchio (459-9958) to volunteer to bring soup or side dishes. Please try to remember to label the contents of your dish, and to bring your own bowl/plate and utensils.

Sunshine Week 2009

This year, Sunshine Week is March 15-21. During this week, the League of Women Voters and many other organizations will be encouraging citizens to play an active role in promoting open government at all levels: federal, state and local. Held each year in mid- March, this is a national initiative to open dialogue about the importance of open government and freedom of information. Journalists, civic groups, libraries, schools and others interested in the

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Calling New Members

Join us on Saturday, March 14th
10:00 -12 noon
for coffee and discussion about the
Albany County League of Women Voters.
We will meet at the home of Carol Webster,
24 Fox Hollow Greene, Delmar.
RSVP 439-1491 by March 7.
Hope to meet new and prospective members.

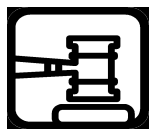
League of Women Voters of Albany County

Website: www.lwvalbany.org Email: lwwac@crisny.org

Lori Keegan-Brady and Maggie Moehringer, Co-Presidents

Carol Webster (439-1491) and Martha Kennedy (439-4559), Membership Co-Chairs

Laura Ladd Bierman, Newsletter Editor



From the Co-Presidents

Thanks to all of you who attended and assisted us in putting on a much appreciated reception for our Albany County Legislators on February 9th! We all had a chance to visit and share information about the League, our interests and our projects with our Legislators, and read a statement during the public comment period. (see Page 3).

And it was great to see you all at our Souper Supper on February 24th. We are very grateful to our "Greening of Albany County" study group for bringing us Janet Joseph, Director of Clean Energy Research and Market Development from NYSERDA, who spoke with us on "Climate Change and Energy".

Are you a relatively new member? Would you like an introduction to League and to fellow new members? On March 14th, membership chair Carol Webster will host a new member coffee at her lovely home in Slingerlands. We encourage you to come hear about the League and how you can get involved. Even if you a not-so-new-member, you are very welcome to attend – it's a great way to learn about becoming active in the League.

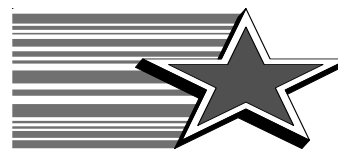
On Thursday, March 26 at 5:30 p.m. there is another Souper Supper at the Bethlehem Public Library in Delmar. We do like our Souper Suppers! David Soares, Albany County District Attorney, will speak with us about gun violence in Albany County. He'll talk about his office's prevention and intervention programs and his recommendations on how the community can help. Come share some wonderful food and learn about what is being done to stop the violence.

Looking forward to seeing you at these exciting events!

Yours In League,
Lori and Maggie
Lori Keegan-Brady (Lkeegan-brady@nycap.rr.com)
Maggie Moehringer (mmoehrin@nycap.rr.com)

Board Recruitment

This is the time when we begin to recruit members to join our LWVAC Board for the coming year. While board members, according to our bylaws, are "elected", they for the most part are volunteers who want to become more intimately involved in the running of the League, the issues it takes on, government, voter service, advocacy, education, and all the other good things we do. It is a WONDERFUL opportunity to take your passions and turn them into action, your talents and turn them into public service. All of the good things we do don't happen by themselves. We are a VOLUNTEER organization, and we are only effective through volunteer effort. Officers and committee chairs can ALWAYS use a co-officer, co-chair or willing committee member, and are ALWAYS interested in involving and training the next generation of board members. Are you interested in becoming more involved in advocacy, government at any level, voter service, the study of issues, the education of the public and students? Do you have administrative skills that you would like to volunteer? Are you interested in growing the League? WE NEED YOU!!! Don't be shy! Please contact Marggie Skinner (marggies@earthlink.net) or Maggie (475-0969, mmoehrin@nycap.rr.com) or Lori (475-0396, lkeegan-brady@nycap.rr.com) and we can give you more information about what it means to be on the board.



New Member

Margaret Danes - Albany
Welcome!

The League of Women Voters is a nonpartisan citizen organization that promotes the informed and active participation of citizens in government, and influences public policy through education and advocacy. Any person of voting age, male or female, may become a League member.

This newsletter is published by the League of Women Voters of Albany County, 12 Coventry Road, Glenmont, New York 12077 and mailed to League members. The frequency of publication is as follows: one mid-summer issue followed by nine monthly issues from September to May.



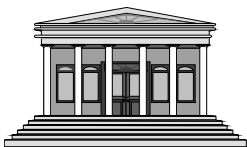
League in Profile

Gael Casey Vecchio

When the family “breadwinner” decided to accept a position in the Law Bureau of Tax & Finance, the Vecchios, including 2 year old Michael and his mother (me), reluctantly moved north. We moved into our newly built home (the consolation prize) on October 28, 1968. I was expecting baby #2 on Dec. 16 so after some unpacking, Michael and I returned to my parents’ home and my obstetrician on Staten Island filled with trepidation that I might be having twins. It’s good we arrived there when we did as Thomas decided to make his debut on Dec. 5. My cousin had the twins on Dec. 16!

By the time Michael and Thomas started school, we also had a 3 year old bundle of mischief named Elaine and their mother was badly in need of some intellectual stimulation and intelligent conversation other than children and neighborhood gossip. I decided to check out a “Welcome Wagon” meeting and found the LWVAC. I immediately joined the year Ann Brandon was President (1974) and my life changed. I met these wonderful, intelligent and interesting women talking about real issues and they even had babysitting! Elaine still remembers going to league meetings. Many of those first friends are still very close after 35 years. Sadly, some have passed on.

Now that I had my intellectual stimulation and was learning about all these important issues, I decided to become more active. Some of the positions I held over the years were Guilderland Unit Leader, Publications Chair, Treasurer, Budget Chair and Administrative VP. Due to career constraints, I have only attended a few LWV conventions but I was so impressed by the superb organization, leadership and professionalism exhibited at the Cincinnati convention, that attending other business or professional conventions was very disappointing. They could not hold a candle to the LWV!



Feb. Meeting of the Albany Co. Legislature

Ann Brandon, Action VP

Following a scrumptious reception for the legislators by League members, our co-president Maggie Moeringer gave a nice presentation in the public comment period. She explained our study of energy saving practices of the towns and cities, reiterated our support of paper ballots and scanners for voting, and urged all legislators to join the League!

Another person spoke, urging the legislators to phase out as an outdated practice, the Albany County Nursing Home, rather than building a new one. A third person complained about treatment of a relative at the current home.

Two interesting items in the meeting were:

- 1) Legislators voted unanimously to buy locally-grown food that is used for county facilities (nursing home and jail). They see this step as supporting local farmers, as well as providing fresh produce and meats for these facilities. Legislator Tim Nichols (D-Latham) said they may be the first in the state to enact such a policy.
- 2) The second item causing discussion was the resolution that gave a contract to a Schenectady vendor over Rosen’s in Albany, for Albany police uniforms; the bid was \$3,000 cheaper.. Gary Domalewicz (D-Albany) took issue with this saying they should be supporting Albany vendor Rosen’s Uniforms. He said that Rosen’s is paying \$3,000 more in taxes, so has a disadvantage. Douglas Bullock (D-Albany) considers Rudnick’s of Schenectady a local store. His concern was buying goods made in America, so we are not supporting sweat shops in other countries. The resolution passed unanimously.

There was very little debate on most of the other 67 items.

If you’d like to attend the next meeting of the county legislature, it is March 9, 7:00 pm., County Courthouse on Eagle St., Albany. Public comment period is 6:30. Agendas are available on the web site and at the meeting. A brief writeup for the next newsletter would be great. Call me at 439-4332 if you are interested.

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Sunshine Week 2009



Peggy Sawyer

public's right to know have banded together to help promote this nonpartisan effort to enlighten and empower individuals to play an active role in their government at all levels, and to give them access to information that makes their lives better and their communities stronger.

In 1966, with the passage of the Freedom of Information Act (FOIA), the federal government defined what the public has a right to know, and how they can exercise that right to obtain government-held information. This was followed by passage of the Federal Advisory Committee Act of 1972 and the Sunshine Act of 1976, both of which focused on public access to government meetings. Using the federal example, all 50 states, the District of Columbia and some local governments passed similar laws. These laws are often known as "sunshine" laws or public access laws. Although each law is different, they generally declare that all records and meetings are open unless certain specified exemptions apply. "Sunshine" or openness in government refers to two distinct areas: access to public records and access to public meetings. Regardless of what label an access law is given, whether it be "sunshine," freedom of information or transparency, the premise behind its inception is that everyday people have the right to know what actions their government is taking. This includes watching elected officials deliberate about a new traffic pattern in the community as well as being able to hear expert testimony about the environmental impact of a new landfill in the county. Sunshine regulations allow citizens to attend public meetings and have access to public documents; they also often provide guidance about how individuals can exercise this right.

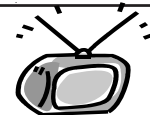
The League of Women Voters has been an active champion of openness in government throughout its history. The organization's principles include the requisite that "government bodies protect the citizen's right to know by giving adequate notice of proposed actions, holding open meetings and making public records accessible." Over the years, the League has supported various federal, state and local initiatives to expand open government requirements and has fought against proposals aimed at limiting access to public information. Our nation's access laws are only as good as we, the people, demand that they be. Protecting the public's access to information—either written public documents or access to governmental meetings—is fundamental to the League's mission and, we believe, is fundamental to the health of our democracy. Securing information from government agencies and officials has never been easy, and much of the public is not well informed about the breadth of publicly held information that might affect them, or how to access it. In the post-9/11 age, increasing amounts of information, once accessible to the public, have been declared off-limits. At all levels of the organization, League members are working on ways to ensure that the citizen's right to know is protected. The League has supported Sunshine Week since its inception in 2005.

In New York State, the Committee on Open Government is responsible for overseeing and advising with regard to the Freedom of Information, Open Meetings and Personal Privacy Protection Laws. Information about this committee and its functions can be found at the following website: <http://www.dos.state.ny.us/coog/coogwww.html>.

Solid Waste: Albany County Landfill

When is a landfill really full? As discussed in last month's newsletter, there are many opinions on the Albany County landfill. The LWVAC will be reviewing its 1991 position on solid waste management, currently held jointly with other Capital Region Leagues, and presenting a proposal at the annual meeting for possible further examination of our League's position and future action. LWVAC members Aimee Allaud, Julie Elson and others are following the progress of the Solid Waste Management Committee. Information about their meetings and other background information is posted on the committee's website www.capitalregionlandfill.com. There you can learn more about the issue, check the dates for meetings, and sign up to be on their mailing list. ***You are encouraged to get involved and to attend the meetings of the SWMC!*** Call Ann Brandon at 439-4332 or Judi Campbell at 478-0016, if you would like to get involved.

Public Access TV for the City of Albany



The following statement was made by Aimee Allaud representing the League at a recent meeting of the Albany Common Council Ad Hoc Committee on public access which met to hear an update on the continuing negotiations with Time Warner for Public Access Cable TV. According to Aimee, the City is thinking of joining with other municipalities which Time Warner is negotiating with to find a commonality which might present reason to file a complaint with the PSC on grounds of "failure to negotiate in good faith." As noted in Aimee's statement, this is an issue that should have been settled long ago. The next meeting has been tentatively scheduled for March 18th. Elise VanAllen videoed the mtg. and it will be up on her site soon, www.albanycommunitytv.com.

Statement on Public Access TV for the City of Albany and Its Residents before the Ad Hoc Committee on Public Access of the Albany Common Council

Aimee Allaud, League of Women Voters of Albany County

On behalf of the Citizen's Advisory Committee for PACTV

February 17, 2009

The League of Women Voters of Albany County, along with the other members of the Citizen's Advisory Committee (Council of Albany Neighborhood Association, Capital Area Council of Churches) are meeting here with you today to speak once again to the issue of why Albany should have a public access television facility. We have appeared many times before you to provide information and testimony and to express the desire of citizens for a public access facility. We began this long road well before the expiration of the existing contract with Time Warner with the hope that a proposal could be included in the negotiations before the contract expired in 2004.

A draft proposal for such a facility was presented to us in September 2008 by Councilman John Rosenzweig and City residents engaged in a useful question and answer session. We believe that that proposal could form the basis for a viable public access structure for Albany.

Now, more than ever, there is a need for transparency in government. In January 2007, then Governor Eliot Spitzer, issued Executive Order #3, "Promotion of Public Access to Government Decisionmaking," which required all NYS agencies, departments, etc., to webcast their public meetings. That Executive Order went into effect immediately and agencies, etc. had to comply by the end of 2007. That order has had significant impact on the ability of citizens across NYS to observe the proceedings of all NYS government. With a PACTV, Albany citizens could have the same opportunities which exist for other New Yorkers to participate in local government such as the Albany Common Council, Albany School Board, and other public bodies which affect our daily lives. Newspapers which in the past have been the primary vehicle for dissemination of news of government are rapidly ceding that role to the Internet. We are in danger of letting a "digital divide" separate government from its citizens. PACTV is a way to combat that "digital divide" and to provide a way for local origination and participation.

We urge the Caucus and the Common Council to take the necessary steps to bring this contract to fruition and to move ahead on creating a public access TV capacity.

Human Trafficking: Zonta Club Event

The Zonta Club of Albany will sponsor a program entitled "The Need for Community Awareness of the Effects of Human Trafficking" with guest speakers Andra Ackerman, Director, Human Trafficking Prevention and Policy at NYS Division of Criminal Justice Services and Karla Digirolamo, Chief Operating Officer, Unity House, Troy. The event will be held on Wednesday, March 11, at the University Club of Albany, cocktails, 5:30 p.m., dinner, 6:00 p.m., program, 7:00 p.m. Guests are welcome! Dinner is \$ 30 per person. If you are interested, please contact Debbie Peters for details and RSVP by March 5, 2009. E-mail: dcpeters426@yahoo.com; Phone: Debbie Peters - 895-8169

***“Aging in the Community?
The Future of Long Term Care”***

A program sponsored by:

The League of Women Voters of New York State

and

***The Capital Region Local LWVs of
Albany, Rensselaer, Saratoga, & Schenectady***

Location: Albany Public Library- 161 Washington Ave. Albany

*****Parking is available behind the library on Elk Street.*****

When: Friday, March 20th

Time: 10:00am- 12:00pm

******For more information or to reserve your seat***

Please call 518-221-1904 by March 16th.***

Panelists Include:

Courtney Burke - Director, New York State Health Policy Research
Center, Rockefeller Institute of Government

Michael Burgess - Director for the NYS Department for the Aging

Mark Kissinger - Deputy Commissioner for Long Term Care
New York State Department of Health

**Come to this timely event and learn what is on the horizon in NYS for long term
care delivery.**

News From *Your* State League

Update from LWVNYS

March 2009

Call to Convention 2009

In addition to your Convention delegation of seasoned League leaders, why not send a few newer members, as either delegates or observers. Convention is a great learning experience for any Leaguer to experience the League way of doing things, learn more about our issues, and network with other Leaguers.

This year, we will offer a bonus day of workshops on Friday, May 15th, entitled Strengthening League Leadership. This special program is designed to give you valuable tools for strengthening your League. We encourage leagues to send board members to these workshops even if they are not delegates or attending State Convention. Travel to Syracuse a little earlier to take part!

Citizen Education: Programs for Youth

Civic participation is a core value of the LWV. Convention 2009 will include an opportunity to learn about the types of programs your local League can implement to help high school students in your area to become more civically involved.

This year's **Students Inside Albany Conference** will be held Sunday, April 19 – Wednesday, April 22, 2009 in Albany, NY. This program is designed to increase high school students' awareness of their responsibilities in representative government and provide information about tools that will help them meet those responsibilities. Choose a student to represent your League at this very important program for youth.

LeaderSpark programs have been completed by Buffalo/Niagara, Schenectady, Saratoga, and Smithtown Leagues, thanks to the hard work of these Leagues and their community partners. Smithtown has secured funding for a second program scheduled to begin in March, and Saugerties is planning to begin their first program early next year.

Coastal Pollution

In New York State, coastal pollution must be fought on two fronts: the Atlantic Ocean and the Great Lakes. Our goal is to turn back the decline of the Atlantic as a source of jobs, revenue, wildlife, and natural beauty. Toward that goal, officials will release a comprehensive plan for ecosystem-based management of the Great Lakes and Atlantic coasts, which will address land and water uses, economy, climate change, energy, and building capacity.

The situation is serious. New York State's commercial and recreational fisheries have only 21 percent of their value 50 years ago. Nationally, 32 percent of all monitored beaches had closings or advisories in 2007 compared with 23 percent a decade earlier. Hard clam production on Long Island is down from 700,000 bushels a year to fewer than 10,000 bushels. Despite these alarming statistics, Governor Paterson has proposed cutting Environmental Protection Fund money for oceans and Great Lakes from \$5 million to \$2 million for the coming year.

Pay Equity Update

The Lilly Ledbetter Fair Pay Act was the very first bill signed into law by President Obama. It restores the 1964 Civil Rights Act equal-pay protections for people whose jobs involve the same work. Unfortunately the Ledbetter Act does not address pay inequities across different but equally-valued job titles. The NY State Fair Pay Act (A3911, S955) addresses this problem by removing discrimination in job titles traditionally done by women and people of color. We need to build support in both the Labor Committee and the Senate as a whole. Check the March 2009 SBR for the names of the Senators who are co-sponsors of this legislation and thank them, and urge the others to come on board.

It's Lobbying Season!

When you make lobbying visits this spring, remember to inform your legislators of the LWVNYS Legislative Agenda and, even if he/she doesn't agree with our position, keep the lines of communication open.

Sprawl and Land Use

The LWVNYS urges New York State to take a proactive role in regional land use planning. To further that goal, we have joined Empire State Future, a coalition of groups and individuals interested in advancing the principles of "smart growth". In addition to providing educational materials that will augment the efforts of land use activists, this coalition plans to provide the public with a website that is informative, up-to-date, lively, and easy to use.

A statewide Community Preservation Act (S381) was reintroduced on January 7, 2009. It would allow cities and towns to create community protection funds to protect open space, support working farms, and preserve community character.

The State Smart Growth Infrastructure Policy Act (A543) was reintroduced in 2009. During the last legislative session, this bill was considerably watered down and the governor refused to sign it. The 2009 version attempts to define smart growth principles clearly and requires state agencies to base funding on these principles.

NPV Resources

Complete resources for the NPV Study are now online. You'll find a background paper, pro/con arguments, suggested resources list, a study guide, consensus questions, and a consensus response form.

In addition, any member can join the NPV Study Discussion List. All you need is an email address where postings can be sent. Just log in at <https://member.lwv.org/Login.asp>

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GET INVOLVED!

Examining Redistribution of Wealth

Reprinted from *The National Voter*, February, 2009

Redistribution of wealth was all the rage following a five-minute encounter between then presidential candidate Barack Obama and Ohio plumber Joe Wurzelbacher on October 12, 2008. Candidate Obama told Wurzelbacher that “my attitude is that if the economy’s good for folks from the bottom up, it’s gonna be good for everybody. . . I think when you spread the wealth around, it’s good for everybody.”¹ From that point on redistributionism was back in vogue.² In September, even before the encounter with “Joe the Plumber,” candidate Obama was confronted with the charge of redistribution of wealth when interviewed by commentator Bill O’Reilly. When discussing Obama’s plan to raise the top marginal rate for federal income taxes from the current 35 percent to 39 percent, the rate paid under the Clinton administration, O’Reilly stated: “you’re taking the wealthy in America and the big earners, OK, you’re taking money away from them and you’re giving it to people who don’t. That’s called income redistribution. It’s a socialist tenant [sic]. Come on, you know that. You went to Harvard.”³ Obama’s clear pronouncement that he favored a modest increase in tax rates for the wealthy was perhaps the best publicized part of his agenda.

Wealth Distribution in the United States

Because wealth, or net worth, reflects life cycle savings and can be passed from one generation to the next, it tends to be more concentrated than income. Although a rentier class comparable to that of the Gilded Age has yet to reconstitute itself, the concentration of wealth at the top is still striking. The top 10 percent of Americans held 71.2 percent of total wealth in 2004, while the top 1 percent alone held a larger proportion of wealth (34.3 percent) than the bottom 90 percent (28.7 percent).⁴ Putting this disparity in dollar terms, researchers at the Washington-based Institute for Policy Studies observe that “the richest 1 percent of Americans currently hold wealth worth \$16.8 trillion, nearly \$2 trillion more than the bottom 90 percent.”⁵ Wealth inequality is also growing. “Over the 1962–2004 period,” report the authors of the Economic Policy Institute’s (EPI) *State of Working America 2006–07*, “the wealth share held by the bottom 80 percent shrunk by 3.8 percentage points, and that 3.8 percent share of wealth shifted to the top 5 percent of households.” The wealth held by the wealthiest 1 percent was 125 times median wealth in 1962, but 190 times the median in 2004.⁶ For the superrich who make *Forbes Magazine*’s annual list of the 400 wealthiest Americans, the expansion of wealth has been particularly dramatic. In the 11 years between 1995 and 2006, this group saw its total wealth more than double from \$470 billion to \$1.25 trillion.⁷ At the same time, the personal saving rate of Americans overall—one indicator of wealth among the 80 percent who work for wages—has declined precipitously since 1982, dropping into negative territory (-1.1 percent) in 2006.⁸ “Approximately one in six households,” according to the EPI, “had zero or negative net wealth” in 2004. Clearly, the evidence shows that the redistribution of wealth can move from the bottom to the top or, as “Joe the Plumber” and Bill O’Reilly feared, from the top toward the bottom. There are several ways that nations address the distribution of wealth. The most important of them are labor laws, tax policy and social programs. It is difficult to imagine a completely neutral policy of wealth distribution.

Labor Law

Almost certainly the most effective government program for the redistribution of wealth has been the reform of labor law. Two significant reforms, the 1935 National Labor Relations Act and the 1938 Fair Labor Standards Act, did more to create the American middle class than any other efforts. Together these acts created conditions for workers to effectively organize unions, guaranteed a minimum wage and the protection of the 40-hour work week, and greatly restricted child labor. Previous to these acts, violence almost always accompanied labor organizing, and federal regulation of the labor market in terms of hours or working conditions was minimal.⁹ Beginning with the landmark 1950 United Auto Workers (UAW) General Motors contract, often referred to as “The Treaty of Detroit,” workers made significant concessions over the frequency of strikes in exchange for guaranteed cost of living adjustments; permanent wage adjustments based on a percentage of corporate income earned as a result of increased worker productivity; improved health, pension, vacation benefits; and, ultimately, supplemental unemployment payments designed to minimize the uncertainty associated with seasonal layoffs. These victories for organized labor became the standard for tens of millions of working families in the auto, steel, meat packing, construction, transportation, and countless other industries, whether protected by union contracts or not. For more than a generation they served as a social contract where wealth was shared more evenly. A working class became a middle class, and conditions were created where the nation could favorably address some of its most difficult problems associated with discrimination. The core of this redistributive model was to create conditions whereby workers could bargain to capture more of the wealth generated by improved worker productivity. Consider these figures: between 1947 and 1973, a period of high union density, worker productivity and median worker income both doubled. In the 25 years between 1980 and 2005, a period of rapidly declining union density, worker productivity increased by 71 percent, while the median compensation of U.S. workers (wages and benefits) increased only 19 percent. During those same years the top 1 percent of earners (about 1.4 million tax filers) increased their share of national income from 8.2 percent to 17.4 percent. The ability of workers to gain a share of the wealth created from improved productivity requires the power that comes from collective bargaining. The “Treaty of Detroit” was signed at the peak of union strength, and the subsequent decline in the share of national wealth going to workers coincides with the decline in union density associated with the period after 1980. Union density peaked between 1945 and 1954 when around 35 percent of workers were union members. By 1983, it had slipped to 20.1 percent and, in 2001, not even 10 percent of U.S. nonagricultural private sector workers were union members.¹⁰ The recent debate in Congress over the auto industry bailout stalled over demands to require additional concessions from the UAW in exchange for government-backed loans to Chrysler and GM. One of the first bills that the 111th Congress will consider is a proposed labor initiative called The Employee Free Choice Act which, if passed, will make it much easier for unions to gain recognition. There is strong debate in the United States over the future of organized labor precisely because unions have a track record of directing some of the wealth generated from improved productivity into the pockets of labor. If the government creates conditions favorable for unions, wealth is distributed from the top to the bottom. If government supports conditions favorable for an open shop, wealth migrates from the bottom to the top.

Income Taxes

After labor law, the greatest tool available to government for redistributing wealth is tax policy. In 1913, the 16th Amendment to the Constitution legalized the federal income tax. Since then, there has been much tinkering with the income tax as a way of distributing wealth. One clear measure of this use is provided by the National Taxpayers Union. In 2006, the top 10 percent of tax payers, those with adjusted gross incomes of nearly \$109,000, paid almost 71 percent of the federal income tax while the top 1 percent of income earners, those with adjusted gross incomes of nearly \$389,000, paid almost 40 percent. Clearly the wealthy contribute the bulk of the income tax revenue that flows to the U.S. Treasury.¹¹ However, while the rich pay approximately 71 percent of the income tax, they pay far less than others as a percent of their income and net worth. The best known source of this view of tax collection is billionaire investor Warren Buffet. In an October 2007 interview with Tom Brokaw, Buffet admitted to paying only 17.7 percent when he combined the payroll tax (Social Security and Medicare) and income tax, while his office staff paid on average no less than 39.2 percent of their total income. This disparity is due to the low rates on dividends and capital gains (15 percent tax rate) and the fact that Buffet paid payroll tax on only about \$97 thousand of his \$66 million for the year.¹² In contrast, most workers pay the 15.3 percent payroll tax on all their income. Workers who make less than the cap on payroll taxes, i.e., more than 90 percent of all workers, contribute to total tax revenue an amount greater than their 29 percent share of income tax receipts. Payroll taxes generate a little more than one-third of federal tax revenue (up from a sixth in 1960), and approximately half this amount comes from the bottom 80 percent of income earners. The richest 1 percent of taxpayers contributes only 4.8 percent of revenue generated by payroll taxes.¹³ Marginal income tax rates in the United States have varied widely, but since 1988 we have been in a prolonged period of low taxation. For most of the 95 years we have

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Redistribution of Wealth

been taxing income, the highest marginal rate remained above 70 percent; for only 35 of those years has it been below 50 percent. In only 14 years has the top marginal rate dipped below the current 35 percent. While this data is limited, it reveals that the United States sustained massive economic growth in a period of very high marginal income taxation. Between 1940 and 1970, a period of economic expansion unprecedented in world history, the top marginal income tax rate never dipped below 70 percent. This was also a period of unprecedented public investment in roads, sewers, utilities, schools, higher education, and military spending. One of the best examples of using income tax policy to redistribute wealth is the Earned Income Tax Credit (EITC). Begun in 1975 as a small part of an economic stimulus package, the EITC was an attempt to provide a cushion for low wage workers and their families that, despite their labor, fell below the poverty line. The program was made permanent in 1978 and has been greatly expanded since. The 1993 expansion extended a small credit to low income families without children. Since 1998, the EITC has surpassed all other welfare transfer programs in the United States and is exceeded only by the dependent exemption as a cost measure for federal income tax collection. In 2003, 19.3 million families received \$34.4 billion from the credit. The redistribution idea behind the EITC is perfectly transparent. People who earn income through labor but remain poor are refunded tax dollars on the assumption that working people should not be impoverished.¹⁵

Social Programs

Another significant redistributive program is Social Security, begun in 1935.¹⁶ Social Security is usually thought of as a safety net for the elderly, but from its start it contained a raft of other benefits, including disability and survivor benefits, aid to dependent children and unemployment benefits. The decision to provide federally mandated old age pensions resulted mainly from a crisis of impoverished elderly people. The other benefits resulted from genuine need during the depression as well as a belief, largely held at the time, that even during periods of deep economic crisis those who had jobs bore some responsibility for those who could not work or who had lost a breadwinner. Here the redistribution is both generational in the case of the elderly and from those who are working toward those who cannot. In the case of Social Security, the redistributive effect is not tied to wealth but is, as the name implies, social. Indeed, in 2008, the payroll tax associated with Social Security is capped at \$102,000 of earned income, while leaving untaxed all dividends or other investment income. Wages earned beyond the cap are not taxed for Social Security. Social Security is commonly understood as a way to prepare for an individual's retirement, and thus the debate in recent years has focused on privatization plans for the old age pensions. In reality, the idea behind the pensions has always been about the generational responsibility of younger workers to care for those already in retirement. Thus, any attempt to privatize the program, and remove the redistributive aspect of it, would leave a giant fiscal hole as money is taken from current retirees and distributed to those still working. This problem is often referred to as a "transition cost" and, if fully funded, would amount to many hundreds of billions of dollars. To make it plain, in 1999, American workers paid \$396.4 billion in Social Security payroll taxes, while the government paid out benefits of \$334.4 billion. If significant dollars were spent saving for individual retirement accounts, current retirees would not have any money to help them in their golden years. Coming up with the money to pay for these "transition costs" is a problem privatizers seldom discuss.¹⁷

Conclusion

What began as a late summer conversation between a presidential candidate and a plumber has reinvigorated a long debate: what is the role of government in distributing the wealth of nations? Since 1913, for 95 years, we have been in the business of redistribution. The question is, do we use as a model the high taxation, liberal labor policy and high public investment of Truman, Eisenhower, Kennedy, Johnson, Nixon, Ford and Carter, or the low taxation, hostile labor policy and low public investment of Harding, Coolidge, Hoover, Reagan, the Bushes and Clinton, or should we move in some entirely new direction? The time for debating redistribution is over; the time for deciding how we redistribute is upon us. n

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Endnotes

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5. John Cavanagh and Chuck Collins, "The Rich and the Rest of Us," *The Nation*, June 11, 2008.
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8. Bureau of Economic Analysis, National Income and Product Accounts, Table 2.1, Personal Income and Its Disposition.
9. Many of the provisions in the NLRA were preceded in 1933 by Section 7(a) of the National Industrial Recovery Act. David Brody's, *Workers in Industrial America: Essays on the Twentieth Century Struggle*, 2nd edition (1993) remains deeply informative.
10. Frank Levy and Peter Temin, "Inequality and Institutions in 20th Century America," Massachusetts Institute of Technology Department of Economics Working Papers Series, May 2007. http://papers.ssrn.com/sol3/papers.cfm?abstract_id=984330, accessed December 1 2008; Teresa Ghilarducci, "The New Treaty of Detroit: Are Voluntary Employee Benefit Associations Organized Labor's Way Forward, or the Remnants of a Once Glorious Past?" October 2007, <http://www.law.harvard.edu/programs/lwp/VEBASGhilarducci.pdf> accessed December 1, 2008; Ian Graham, "It Pays to Be Union, U.S. Figures Show," <http://www.ilo.org/public/english/dialogue/actrav/publ/128/3.pdf>, accessed December 12, 2008.
11. National Taxpayers Union, "Who Pays Income Taxes?" <http://www.ntu.org/main/page.php?PageID=6>, accessed December 2 2008.
12. <http://www.cnn.com/id/21553857>, accessed December 15, 2008.
13. The payroll tax consists of 2.9 percent for Medicare, a 6.2 percent worker contribution to Social Security, and a 6.2 percent employer match. However, according to the Urban Institute and Brookings Institution Tax Policy Center, "most economists believe that the employer's share is fully offset by reduced wages and thus the entire economic burden of the tax ultimately falls on workers" ("Tax Topics: Payroll Taxes"). http://www.taxpolicycenter.org/taxtopics/Payroll-Taxes_fm Accessed December 18, accessed December 18, 2008.
14. Top US Marginal Income Tax Rates, 1913-2003, Truth in Politics, <http://www.truthandpolitics.org/top-rates.php?print=yes#fn-1>, accessed December 2, 2008. For detailed data on all tax brackets during 1913-2008, see "Federal Individual Income Tax Rates History. Income Years 1913-2008," <http://www.taxfoundation.org/files/federalindividualratehistory-20080107.swf>, accessed December 29, 2008.
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16. The GI Bill was another stunningly successful social program that redistributed wealth.
17. Two nice places to start on this debate: The Congressional Budget Office, "Social Security Privatization: Experiences Abroad," January 1999, <http://www.cbo.gov/doc.cfm?index=1065&type=0&sequence=1>, accessed December 2, 2008; and Jeffrey A Miron and Kevin M Murphy, "The False Promise of Social Security Privatization," Bastain Institute Publication, http://papers.ssrn.com/sol3/papers.cfm?abstract_id=270245, accessed December 2, 2008.

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League Calendar

| <u>WHEN</u> | <u>WHAT</u> | <u>WHERE</u> | <u>MORE INFO</u> |
|--------------------|--|---------------------------------|------------------|
| March 3, 5:45 pm | Board Meeting | Presbyterian Church, Delmar | |
| March 11 | Human Trafficking: Zonta Club | University Club, Albany | see page 5 |
| March 14, 10:00 am | New Member Coffee | C. Webster's Home | see page 1 |
| March 15-21 | Sunshine Week | | see page 1 |
| March 20, 10:00 am | The Future of Long Term Care | Albany Public Library | see page 6 |
| March 20 | Deadline for April Bulletin | LBierman@nycap.rr.com | |
| March 26, 5:30 pm | Souper Supper: Gun Violence | Bethlehem Public Library | see page 1 |
| April 7, 5:45 pm | Board Meeting | Presbyterian Church, Delmar | |
| April 17 | Deadline for May Bulletin | LBierman@nycap.rr.com | |
| April 28, 5:30 pm | Super Supper: Senator Neil Breslin | Bethlehem Library | |
| May 5, 5:45 om | Board Meeting | Presbyterian Church, Delmar | |
| May 15-17 | LWVNYS Convention | Syracuse | see page 7 |
| May 26 | Annual Meeting | Normanside Country Club, Delmar | |
| | Redistricting: B. Horner and R. Hedges | | |