

How Does Your Income “Stack Up”?

Picture your annual income as a stack of \$100 bills.

Do you make \$25,000? Your stack of \$100 bills is 1 inch high.

Do you make \$100,000? Your stack of \$100 bills is 4 inches high.

Do you make \$1 million? Your stack of \$100 bills is 3.3 feet high.

Do you make \$1 billion? Your stack of \$100 bills is over ½ mile high!

The U.S. Income distribution is not a “Bell Curve”...it is an “L-Curve”!

On the scale of the football field graph shown here the bottom 99% of the population measure their incomes in *inches*. The top 1% measure their incomes as stacks of \$100 bills *feet* or even *miles* high! The total wealth of the *few* people in the vertical spike equals the total wealth of the rest of the population combined.

The L-Curve raises many questions. Why does the wealth (which we all help produce) go so disproportionately to the few at the top? Why, in a prosperous economy, is there so much poverty? Why has the lion’s share of the growth in recent economic booms, gone almost exclusively to those in the vertical spike while wages have stagnated?

Politically speaking, the L-Curve raises even more questions. Concentration of *wealth* produces concentration of *power* that is fundamentally incompatible with democracy. Why does our government give tax cuts to those on the vertical spike that result in cuts in services for the rest of us? The horizontal spike has the votes, but the vertical spike has the influence! They own the media. Your TV set is their pipeline into your brain! They set the agenda and the terms of debate. Furthermore, by the time you enter the voting booth all the “serious” candidates have been filtered and pre-selected by their ability to raise funds from those on the vertical spike. Those who can’t attract big money are marginalized.

The only way to make the government *for* the people is to make it *of* the people and *by* the people. That means we, the people, must wake up. We must wake up our neighbors! We must learn to talk to each other directly. We must bypass the media culture and rebuild true community. Democracy does not *start* in the voting booth. It starts by *building a movement at the grass roots level* that values people over profits.

For more on the L-Curve and its implications, see: www.lcurve.org

The top of the graph varies from year to year. In Bill Gates’ best year he *increased* his net worth by \$50 billion ... a 30 mile high stack of \$100 bills!

The Income Distribution of the United States

(Visualized on the scale of a football field; income measured as stacks of \$100 bills.)

