

Only billionaires need apply

"This year, everyone's a billionaire," *Forbes Magazine* said as it unrolled its annual list of America's 400 richest individuals. Now even multimillionaires are pickers, like leveraged buyout tycoon Teddy Forstmann, who was dropped from the list after his net holdings dipped below \$1 billion. The collective net worth of the nation's wealthiest climbed \$120 billion in just one year to \$1.25 trillion.

How much is \$1.25 trillion? As economist Holly Sklar notes, "That's about the same amount of combined wealth held by the 57 million households who make up half the U.S. population." So while 400 Americans are fat-cat billionaires, some 47 million Americans are strays with no

and salaries is at a record low, and the federal hourly minimum wage has been stuck at \$5.15 since 1997, Sklar notes. There's income redistribution, but it's trickling up, as the really rich get richer at the expense of most everyone else.

Who's the biggest single winner? It's casino mogul Sheldon Adelson, owner of the non-union Los Angeles Sands, whose net worth went up \$9 billion.

minimum wage, narrowing the obscene pay gap between workers and CEOs, rolling back tax cuts for the wealthy — and stop taxing income from work more than income from capital gains."

Forbes, Sept. 21

McClatchy-Tribune News Service,

Sept. 27

New Year's Challenges, by the Numbers

- \$260 billion** Projected federal deficit in 2006. Will it grow?
- \$2.8 trillion** Proposed federal budget for 2007. Can it be cut?
- 15,877** Special-interest projects Congress approved in 2005. Will pork spending be curtailed?
- \$93,000** Income subject to Social Security tax. Should it be raised?
- \$439.3 billion** Proposed '07 budget for the Department of Defense. How much higher?
- \$28.6 billion** Proposed '07 budget for the National Institutes of Health. Is that enough?
- \$2.23** Average price for a gallon of gas in mid-October. How high is too high?
- 3.8%** Annual inflation rate. Will it go down?
- 4.6%** Unemployment rate. Has it leveled off?

SOURCES: CONGRESSIONAL BUDGET OFFICE, OFFICE OF MANAGEMENT BUDGET, SOCIAL SECURITY ADMINISTRATION, CONGRESSIONAL RESEARCH SERVICE, FEDERAL RESERVE, U.S. LABOR DEPARTMENT, U.S. ENERGY ADMINISTRATION

'Bushonomics' saddles Americans with more debt

In nearly six years in office, President George W. Bush has managed to turn a \$284 billion yearly budget surplus into a deficit of more than \$248 billion. In New York state, 99 percent of taxpayers lose under his so-called "tax-and-borrow fiscal policies." Infants born today come into the world facing a "birth tax" of more than \$30,000 each — their share of the national debt.

"This administration has mortgaged the future of our country on tax breaks and tax cuts for the super rich," said NYSUT Executive Vice President Alan Lubin, who heads the union's legislative operation. "They even want to tie a minimum wage for the lowest paid workers to tax savings for the few multimillionaires and billionaires who pay estate taxes."

Record deficits

New data released in October by the Commerce Department show the U.S. trade deficit, with imports exceeding exports, hit a record \$69.9 billion shortfall.

The AFL-CIO and Bloomberg

News report the U.S. trade deficit with China alone this year will far exceed the record \$201 billion deficit in 2005, a major factor in the U.S. loss of higher wage jobs.

News on the national deficit is even bleaker.

Bush now reports a rosy outlook for the economy, with the budget deficit at \$248 billion. Tula Connell, an AFL-CIO reporter, writes that in 2001, when he inherited a \$284 billion surplus from President Clinton, Bush predicted in 2006 the economy would be experiencing a \$516 billion surplus.

The Center on Budget and Policy Priorities, a nonpartisan research organization and policy institute, says improvements to the deficit mask a bigger story.

"A deficit of \$248 billion in 2006 means that the second largest six-year deterioration in



Editor's note: Throughout the presidential election year, look here for analyses of national issues from the worker's point of view.

the budget in 50 years has occurred," the CBPP reported.

NYers lose

Tax cuts enacted since 2001, which were supposed to benefit all New Yorkers, have benefited only the wealthiest

1 percent.

In *The Bush Tax Cuts: Are New Yorkers Better Off*, a report by the Citizens for Tax Justice, researchers found the tax cuts, tax breaks, reductions in income tax rates, estate tax cuts and corporate tax loopholes "are heavily skewed toward the very wealthiest few." And because the tax cuts are being paid with borrowed money, "the cost of paying the added national debt more than wipes out any benefits from the tax cuts for 99 percent of New Yorkers." The CTJ is a non-profit research and advocacy group focusing on federal, state and

local tax policy.

"On average, the 99 percent of New Yorkers who lose under the president's policies have been saddled with \$3.68 of new debt for every dollar they have gotten in tax cuts," said Frank Mauro, executive director of the Fiscal Policy Institute. "The Bush tax plan treats working families worse than a loan shark."

Too many of the president's economic policies "have left Americans and American companies struggling," Sen. Minority Leader Harry Reid said. "After we worked so hard to eliminate the deficit, his policies have added trillions to the debt — in effect, a 'birth tax' of \$36,000 on every child that is born."

If Bush tax cuts for the wealthy are made permanent, experts say, the deficit will total nearly \$3.5 trillion over the next 10 years.

"We cannot afford much more of Bushonomics," said Lubin. "We are long overdue for a change in leadership in Washington."

For details, visit www.aflcio.org.