



In my reporting, I regularly travel to banana republics notorious for their inequality. In some of these plutocracies, the richest 1 percent of the population gobbles up 20 percent of the national pie. But guess what? You no longer need to travel to distant and dangerous countries to observe such rapacious inequality. We now have it right here at home — and in the aftermath of Tuesday's election, it may get worse.

The richest 1 percent of Americans now take home almost 24 percent of income, up from almost 9 percent in 1976. As Timothy Noah of Slate noted in an excellent series on inequality, the United States now arguably has a more unequal distribution of wealth than traditional banana republics like Nicaragua, Venezuela and Guyana.

C.E.O.'s of the largest American companies earned an average of 42 times as much as the average worker in 1980, but 531 times as much in 2001. Perhaps the most astounding statistic is this: From 1980 to 2005, more than four-fifths of the total increase in American incomes went to the richest 1 percent.

That's the backdrop for one of the first big postelection fights in Washington — how far to extend the Bush tax cuts to the most affluent 2 percent of Americans. Both parties agree on extending tax cuts on the first \$250,000 of incomes, even for billionaires. Republicans would also cut taxes above that.

The richest 0.1 percent of taxpayers would get a tax cut of \$61,000 from President Obama. They would get \$370,000 from Republicans, according to the nonpartisan Tax Policy Center. And that provides only a modest economic stimulus, because the rich are less likely to spend their tax savings.

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