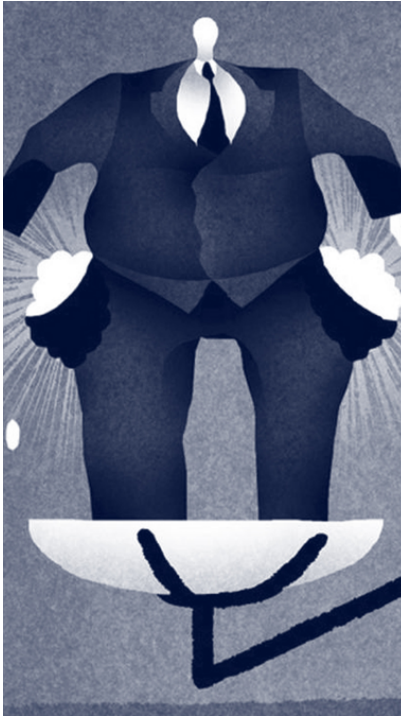


Report Exposes American Wealth Inequality



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The Government Accountability Office (GAO) released a report with respect to income and wealth inequality in the United States in connection with a request by Vermont Senator Bernie Sanders. The report found that individuals with higher incomes lived longer than those with lower incomes.

The report also examined the extreme wealth inequality that exists within the country. Whereas the bottom 20% of elderly Americans survive largely off Social Security benefits, the top 20% has wealth that “far exceeds the estimated present value of benefits provided by any future Social Security or pension benefits”.

The wealth examined in the study exists in the form of savings accounts, stocks, bonds, retirement accounts and nonfinancial property. Through the ownership of capital, its owners are able to extract surplus value from the working class whose basis is unpaid labor. Through the process of re-investment, those with ownership of capital are able to grow their capital through successive acts of re-investment. This process of capital accumulation lays the material foundation for “income inequality”. Workers derive income through labor, whereas capitalists can derive unearned income in the form of dividends, interest, capital gains, profits, rents, etc.

Over time, wealth becomes concentrated into the hands of the oligarchs on an ever-increasing scale. Under the capitalist economic system those who privately own the means of production are able to appropriate massive amounts of wealth while others struggle to survive.

<https://www.gao.gov/assets/710/700836.pdf>