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**U.S. Transfer of Wealth to the Few Continues
Solidarity America
By John Funciello
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BC welcomes John Funciello as a columnist. "Solidarity America" will appear regularly and focus on the struggle of workers in the USA.

The move in recent days to save America's financial sector through the infusion of hundreds of billions of dollars of taxpayer money to save Bear Stearns, Merrill Lynch, AIG insurance, and their ilk is another in a long line of transfers of wealth from the poor and wage workers, to those at the very top of the income and wealth scale.

There's been some discussion of the effects of this transfer, but not many are tracing the movement of wealth in such a way that the people being fleeced can see what is happening.

When Ronald Reagan, in one of his first presidential acts against working people, fired 11,500 air traffic controllers because they went on strike and refused to return at his order, it was the first salvo in modern times against the rights of wage earners.

Although they were prohibited by law from striking, his methods were calculatedly harsh. After all, they were just one of two unions - the other being the Teamsters - which endorsed Reagan.

The Professional Air Traffic Controllers Organization (PATCO) had written a letter to candidate Reagan, asking him to deal with the potentially deadly problem of long hours in the towers at airports around the country. As a group of workers, they indicated, they were exhausted and were operating the air traffic control system on sheer nervous

energy. They asked him to deal with the problem, as it was of immediate concern.

He did nothing as president to alleviate the problem for a period of time, so the PATCO members, desperate, took the matter into their own hands. They struck.

The punishment for refusing to return to work was a massive firing and jailing of PATCO leaders. After a short while, Reagan also banned them from federal employment so that, even those close to retirement, could not work for another federal agency to earn enough credit to retire with a full pension.

With that seemingly simple act, Reagan signaled Corporate America that they could do as they wished and a new era began in the relationship between labor and capital. From the time of the first labor laws, 1935, until the Reagan era, workers who struck could not be fired for concerted—union—activity.

In the Reagan era, employers honored the letter of the law, but crushed the spirit. They didn't fire their workers, they simply replaced them permanently, and, to this day, few workers are willing to take the chance to lose their jobs. They don't strike.

Without the right to strike, workers lose much of their strength at the bargaining table, so the wages of Americans have been on a downward slide for decades. This does not include the downward trend in wages from competition with workers' wages in developing countries (In China, for instance, the average wage is around 57 cents.). Who can compete with such wages?

As 120 million American workers' real wages continue to fall, the profits of capital in America continue to rise, a continuation of the transfer of wealth to the few.

George Bush is the culmination of the Reagan "trickle-down" economics: Give more money to those at the top of the income and wealth scale and some of it will dribble down to the people. In earlier times, this was known as "feeding the horses so the sparrows can eat."

The current Bush Administration is the natural end result of "Reaganomics," wherein the tax breaks and pay and benefits and perks and wealth accumulation is given by fiat to the top 1 percent of Americans. At the same time, a little is given to those below them, so that there is kind of political, social, and economic cushion between the 1 percent and the mass of wage earners and the poor.

George W. Bush started a war of choice in Iraq and the transfer of wealth from the people to the few continued at an astronomical rate, making debtors of a generation or two yet to be born. Recall the billions of dollars of baled cash flown into Iraq that just disappeared, with no accounting to this day. Or, the billions given to "private contractors," both in the U.S. and Iraq for which there is little or no accounting.

It has been well-known for a long time, perhaps centuries, that war is the easiest way to transfer wealth to the few. Bush seems to have perfected this method.

With their companies collapsing, those who run the economy thought they were just about at the end of effective ways to transfer wealth, when, hat in hand, they went to the government and asked for help, possibly trillions of dollars of help. Generous Americans—most working for a paycheck—are coming across. Not that they had a choice. The people who run the American economy deem the big banking, mortgage, and insurance companies that are at death's door to be "too big to fail," so we're all spending about \$7,000 for every man, woman, and child to bail them out.

Some families of two are *living* on \$7,000 a year in pensions, savings, and Social Security payments. How will they ever pay their \$14,000 bill to bail out the big boys and girls? Truth is that's not going to happen.

This massive transfer of wealth is going to become fact and the people won't have had a thing to say about it. One way the government can partially deal with the problem is to print more money, inflation being another way of transferring wealth from the people to the few and that's what is being contemplated and what likely will be done.

The 300 million Americans who are paying the bills are themselves "too big to fail," but there is no mention of them and their problems in this time of economic and social crisis that might very well turn into a political crisis. The people are much bigger than the corporations in trouble, yet, who is speaking for the people?

The policies responsible for this massive transfer of wealth have been a favorite goal of conservative economists and politicians for decades. Mostly, it has been the Republicans, but they've had a lot of help from the Democrats, who have not put a proper curb on the power of the movement toward a no-regulation economy and the draining of Americans' economic strength.

The disparity in wealth in America is the greatest since the Great Depression and, because of the so-called global economy, it's going to take a massive effort by *the people* to turn that around so that the U.S. is once again a country that produces what it needs.

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The BlackCommentator Readers' Corner Blog

BlackCommentator.com Columnist John Funciello is a labor organizer and former union organizer. His union work started when he became a local president of The Newspaper Guild in the early 1970s. He was a reporter for 14 years for newspapers in New York State. In addition to labor work, he is organizing family farmers as they struggle to stay on the land under enormous pressure from factory food producers and land developers. Click [here](#) to contact Mr. Funciello.

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