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OPINION | LETTERS

Two Blueprints to Make America Great Again

Professor Blinder is wrong to make income equality a litmus test for progress.

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A "Make America Great Again" sign in Mosinee, Wisc., Oct. 24. PHOTO: SAUL LOEB/AGENCE FRANCE-PRESSE/GETTY IMAGES

In "What if Trump Really Wanted to Make America Great Again?" (op-ed, Dec. 4), Alan S. Blinder describes what the president should do. He suggests we should strengthen labor unions, fortify defined-benefit pensions, raise estate taxes and reduce income inequality.

Labor unions didn't diminish in size due to government action. They became irrelevant to many who thought the cost of membership was too high to be justified by the benefits they received. Defined-benefit plans were great ideas when small companies were growing and an increasing employee base could fund future liabilities, but as many found out too late, their "guaranteed" retirement benefits weren't there. Besides, a majority of U.S. workers never got defined-benefit plans. As for estate taxes, they are another tax on already taxed income and discourage saving.

While gross distortions of income have historically sometimes led to revolts, the real concern isn't whether someone like Mark Zuckerberg makes an obscene income, but whether or not quality of life improves over time. The "Gini coefficient" is all the rage, as it expresses income inequality in a population. But countries that are moving toward a Gini coefficient of 0 (complete equality), for example, Venezuela, are also seeing their incomes approach that same number.

Stephen Horwitz

Bethesda, Md.

Prof. Blinder is wrong to make income equality a litmus test for progress. President Trump is thinking more along the lines of Robert Heilbroner and William Milberg who refer to the “golden age of capitalism” as the era roughly from 1945 to 1973 that produced remarkable price stability, economic growth and high and stable employment. The average inflation rate, real GDP growth rate and unemployment rate during this period (unemployment data starting in 1947) were, respectively, 2.7%, 4.1% and 4.8%. Compare that to 4% inflation, 2.7% GDP growth and an unemployment rate of 6.4% for the period from 1974 to 2016.

Under President Trump inflation is 2.2% growth has averaged 2.7% and unemployment is currently 3.7%. I'd say the president has done a remarkable job of fulfilling his campaign promise.

Thomas R. Dalton

New Orleans

The decline in good U.S. manufacturing jobs has been compounded with the rise of China and its mercantilism, which no previous administration has been willing to confront seriously.

Anthony O'Boyle Beirne

Naples, Fla.

Post-World War II U.S. industrial dominance promoted high employment rates and generous profits for U.S. manufacturers, which in turn promoted rising wages across the country, while much manufacturing infrastructure in depressed Europe had been destroyed by war, and Asian economies were barely industrial. Even so, the poverty rate in the U.S. was higher (and meaner) than it is today.

Lillian Decker

Sanibel, Fla.

Some of Mr. Blinder's proposals are pretty good. I especially like his suggestion of pushing apprentice programs instead of all the money going to colleges.

Fritz Dixon

Meridian, Idaho

The real factors dampening upward mobility are terrible public schools and onerous labor-market regulations, including occupational licensing.

Jordan Bruneau

Los Angeles

What drew voters to Donald Trump and his motto “Make America Great Again” was the memory of a time when you could say “Merry Christmas” in public and not be shamed for being a Christian, and when you could be proud to be an American and not be expected to apologize for it.

Barbara George

Arcadia, Calif.

Americans born in the 1980s became of income-producing age in the 2000s. From 2009 through today, annual real GDP growth has averaged a bit over 2%, while the comparable period for baby boomers since they became earners is almost 4%. It seems the rate of economic growth correlates to the opportunity for children to do better than their parents.

Bill Domoe*Grafton, Wis.*

Prof. Blinder knows there are only two ways government can address the “ever-rising income inequality” he complains about. It can take money from those who earn more and give it to those who earn less, or it can create conditions for the economy to grow, increasing the demand for labor, while limiting the supply by restraining immigration and letting the market work—the method President Trump appears to favor.

Louise C. Yeiser*Harbor Springs, Mich.*

Prof. Blinder may find the answer to his worries for the 99% in “Moby Dick.” What if every worker had a predetermined, contractual share of the gross? Everyone, labor and capital together, would rise or fall with success or failure. The whalers’ pay method is underused. Instead we have so many Ahabs leading their crews on a doomed quest for revenge, retribution and clamoring, after the fact, for a theoretical fair share.

Eric Kovacic*Kensington, Md.*

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