

Critique responding to stiglitz assignment

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From reading this book “ The Price of Inequality’, by Joseph E. Stilling it is clear from the start that the socio-economic financial troubles that the United States finds itself facing is not the makings of one sole political belief system. To the contrary it is in fact the all-encompassing fault of how they all strictly view the situation and steadfastly defend their reasoning of the causes and solutions without any degree of give or leeway to opposing points of view.

Both sides rally around their base and purport systems and the lobbying groups that spin their particular belief system through the political campaign monetary exchange system of you scratch my back and we will support you in future elections. Stilling appears not to take any particular side one way or the other. He simply sees it as everyone’s fault for the country’s present financial predicaments. With most of the population seeing no answer to our problems in the near future, Stilling can put a somewhat of a positive spin; in that, politics are always subject to change.

Stilling points out many of the crisis points to affect our past economic history, from the Great Depression to the now Great Recession, the Technology Bubble, the Housing Bubble, the Global Financial Crisis of 2008, and the so-called Fiscal-Cliff Era with federal deficit levels that challenge our national GAP and unemployment so high that they no longer reflect the work force that has stopped looking for jobs. Stilling recognizes the roles these conditions and man-made circumstances have played in the financial inequities that now exist throughout his discussion of the inequity situation.

But, he sees the underlying cause for the continued and ever increasing vivid that has become this two-tiered socio-economic system of the 1% Haves and the 99% Have-onto that plagues the political atmosphere as the core to the inequities. To Still politics on both sides of the aisle through the money interests of special interests with the power and money have politically shaped the marketplace to the advantage of the few at the expense of the many.

In other words the most affluent have driven the political system to meet their needs using either democratic liberal ideology or republican conservatism to do their manipulative work on government and the law makers, however has the most power in Washington politics at any given time. This wouldn't be all that bad since the affluent could intern disseminate their profits through spending and infrastructure renewal but that seems not to be the case anymore.

The affluent are saving more of their profits and not redistributing it as has been the case in past decades. On the other hand the rest of the populous with ever growing stress and anxiety over their economic futures are taking home less pay, confronted with ever increasing bills, and avian to make tougher decisions concerning cost expenditures that are becoming a alert eaten to ten Torture economic endeavors Ana entrepreneurs AT ten American economy.

One of the biggest areas to be affected is the investment into the education of the country's future generations of children. First off the parent's facing such financial hardships, find themselves either forgoing investing in their

children's education future therefore their overall economic prospects or are putting their children in such deep educational debt that it will be insurmountable for them to ever recover as they start off on their own, relying on the parent's extended help prevent any comfort of retirement for their future.

On the same investment scene educating future generations that will help to grow our economy at a rate beneficial to the country the Government has also seen it ever increasing credible or capable to sustain the level of financial support through government educational programs of public colleges (70% of College Population – Majority: Poor & Middle Class Families) and financial resources to private institutions (30% of College Population – Majority: Affluent Families).

I think Stilling puts it best when he points out the central theme of Chapter 4, " Why It Matters" as the following statement: " That much of the inequity in our society arises because private rewards differ from social returns, and that the high level of inequity that now characterizes the United States, and the widespread acceptance of that level of inequity, makes it difficult in the United States to adopt good policies. Policy failures include those in macroeconomic stabilization, industry deregulation, and underinvestment in infrastructure, public education, social protection and search. (Stilling, 2012, p. 102) Just as it is hard for a hungry child to stay focused in a learning environment and actually come away with knowledge and understanding, our present day children as well as future generations are being subjected to " impaired learning processes" that are being experienced by the poor and middle class, while the affluent are at no such threat of providing an

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enriching educational experience for their children. This threat simple diminishes future generations the opportunity of having rewarding and successful lives.

This overtly creates more stress and anxiety on the parts of everyone in the poor and middle-class (parent's and children) preventing them from focusing their energies on what is important family and productive careers. The poor and middle-class worker does not feel they have a true investment in the economy when they see shrinking wages and benefits, while the higher-ups receive out-proportioned compensation. And as this inequity / inequality gap increases the correlated effect is less efficiency and lower productivity across all marketplaces!

In order to meet these crises with some sense of a solution, it appears that Stilling sees the need to address the inequality issue aggressively throughout any recovery stage in our economy. All levels of society must feel invested in the profitability and rewards systems so that each individual can aspire to a productive days work for a fair compensation package. With this in place the important investments / reinvestment in our society such as school and educational reform and educational advancement will follow suite and add to the sustainability of the marketplace on a whole.