

Working Paper

Economic Policy in the Trump Era

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Introduction

The world looks pretty scary with Donald Trump in the White House and Republicans controlling both houses of Congress, so let's start with a positive side to this picture. As long as a Democrat held the presidency, the Republicans in Congress were devout deficit hawks. Now that they are in control, the Republicans are likely to be less devoted to deficit reduction. This certainly was true in both the Reagan and Bush II presidencies. In both cases, Republicans were content to see deficits explode. It is reasonable to believe that they will again be happy to sacrifice their commitment to deficit reduction to the greater cause of reducing taxes for the wealthy.

While giving tax cuts to rich people is hardly the best way to boost the economy, and efforts to reduce social spending to make up the shortfall will have to be resisted, the effect of tax cuts will undoubtedly be to boost demand. If the Fed doesn't act aggressively to counter this stimulus, we are likely to see gains in employment with considerable benefits to large segments of the working class.

There was a shift of almost 4.5 percentage points of corporate income from labor to capital as a result of the weak labor market in the 2008–2009 recession. This shift began in the housing bubble years, but that was largely a matter of accounting. Profits on junk loans were booked in the bubble years, the losses showed up in 2008 and 2009 when homeowners stopped making payments. For this reason, there is little reason to believe there would have been a shift against workers without the Great Recession.

The tightening of the labor market in 2015 and 2016 has reversed more than half of this upward redistribution, but reversing the rest will require continued tightening of the labor market. The additional deficit spending associated with Republican tax cuts will likely accomplish this goal.

This is huge deal. Not only does a tighter labor market mean more people will have jobs, it will disproportionately help the most disadvantaged. The unemployment rate for blacks is typically twice the unemployment rate for whites. The unemployment rate for Hispanics is generally one-and-a-half times the rate for whites. And for black teens, the ratio is typically six to one.

The wage gains from a tight labor market disproportionately go to those at the bottom end of the wage distribution. The low unemployment years from 1996 to 2001 were the only period since the early 1970s in which workers at the middle and the bottom end of the wage distribution saw consistent wage gains. During these years even hotels and fast food restaurants had to compete for workers. Some McDonald's restaurants offered bonuses to workers bringing in friends as new

workers, and suburban businesses arranged private bus service to bring in workers from the inner city every morning. In short, a tight labor market can do a great deal of good.¹

It is also important to realize that there can be a lasting dividend from getting more people employed now. The employment-to-population ratio (EPOP) for prime-age workers (ages 25–54) is still down by two full percentage points from its pre-recession level and by almost four percentage points from its 2000 peak. The mainstream of the economic profession is prepared to accept this falloff as just a fact of nature. For some reason millions of prime-age workers no longer have the skills and/or desire to work. (It is worth noting that virtually no one predicted the falloff in prime-age employment either before the 2001 recession or the 2008–2009 recession.)

Given the importance of authority in economic policy debates, as opposed to logic and evidence, it is not possible to win this debate against the mainstream of the profession. However, it is possible for the economy to win the debate with the mainstream of the economics profession. If the EPOP for prime-age workers were to rise two percentage points back to its pre-recession level without a noticeable uptick in the inflation rate, or even better four percentage points back to 2000 levels, then it will be difficult for even mainstream economists to claim it is not possible.

This is exactly what happened in the late 1990s. In the early and mid-1990s it was virtually a matter of absolute faith that the unemployment rate could not fall much below 6.0 percent without triggering an inflationary spiral. Thankfully, then-Federal Reserve Board Chair Alan Greenspan was not a mainstream economist. He argued with his colleagues that there was little evidence of inflationary pressure and therefore no reason to raise interest rates and slow the economy. The Fed allowed the unemployment rate to fall below 5.0 percent in 1997 and then reach 4.0 percent as a year-round average in 2000. And there was no noticeable uptick in the rate of inflation.²

As a result of this experience, the profession has to discard its 6.0 percent floor on the unemployment rate. The Congressional Budget Office (CBO) and other official forecasters accepted that the unemployment rate could reach levels near 4.0 percent without accelerating inflation. This created a new benchmark for economic policy that allows for far lower unemployment rates than the early 1990s benchmark. If the Fed had followed the textbook or listened to the urging of many of the members of the Open Market Committee and raised interest rates enough to prevent the drop in the unemployment rate in the second half of the decade, we would not have seen this lower benchmark.

1 The impact of low unemployment rates on the labor market is discussed at length in Baker and Bernstein (2013).

2 Merling (2016).

In this respect, if the demand boost from Trump's policies is not offset by overly restrictive Federal Reserve Board policies, we will have the opportunity to prove that the EPOP can go higher than what the mainstream of the economic profession now accepts. This can give us the facts on the ground we need to win the argument on the maximum obtainable EPOP.

Defense of the Affordable Care Act and Other Social Programs

The Republicans have made clear their desire to go after the countries' social programs, targeting not only the smaller ones designed to protect the poor, but also Social Security, Medicare, and the Affordable Care Act (ACA). These programs make a huge difference in the lives of tens of millions of people. There is little justification for privatizing or cutting these programs. The United States is an outlier in the lack of generosity of its anti-poverty programs and its protections for middle-class workers and retirees. These programs are generally well-run, with administrative costs that are far lower than private sector alternatives, and experience relatively little fraud.

The fact that so many people are dependent on these programs hugely increases the likelihood that they can be protected. It appears that the ACA is first on the Republicans' agenda. Twenty million people are currently getting insurance as a result of the ACA. These people and their family members provide an enormous base of opposition to the elimination of the ACA. For these people, the potential loss of insurance is very concrete; this is not some hypothetical that we have to convince them to accept.

It is also important to realize that the people who are getting insurance through the ACA are constantly changing. Five million people lose or leave their jobs every month. Many of these people are losing employer-provided insurance along with their jobs. These people may benefit from being able to get insurance through the exchanges for six months or a year before they transition back to an employer-provided plan.

The public appreciates the new freedom allowed by the ACA even if most policy types have not yet noticed it. Voluntary part-time employment is up by more than 2.4 million since the ACA took effect in 2014, with especially large rises for young parents and workers just below Medicare age. Involuntary part-time employment has fallen by almost the same amount, leaving little net change in part-time employment.

In short, there are tens of millions of people who understand their stake in protecting the ACA and will likely pressure their members of Congress. There were major protests in support of the ACA even before Donald Trump was inaugurated. If the Republican efforts to repeal the ACA can be derailed, it will make them very shy about going after Social Security and Medicare. It can be expected that they will continue their attacks on anti-poverty programs with the hope of separating out the poor from the middle class, but stopping repeal of the ACA will be a huge victory which can build momentum.

Progressive Policy in the Trump Era: Moving to the States

With actions at the national level likely to be largely defensive, the best hope for progressive change is at the state and local level. Fortunately, there are already many efforts already in place which policymakers and advocates can be build upon.

For example, many state and local governments have already raised their minimum wage well above the \$7.25 an hour national rate. In addition, many state and local governments now guarantee workers paid sick days and/or family leave. These efforts can continue to move forward even with Republican control of the federal government.³ However there are also opportunities at the state and local level to push policies that may more fundamentally challenge the power of the wealthy.

For example, the issue of reducing average work hours or work years can be pressed further with policies like mandating paid vacations and promoting work sharing as an alternative to unemployment benefits. These policies can bring the United States more in line with other wealthy countries, like Germany and the Netherlands, where workers put in twenty percent fewer hours a year on average. Reducing work hours is both a way to improve the quality of life for workers — people should have time to take vacations and be with their families or pursue other interests — and to increase the bargaining power of workers. While the trade-off between reduced work hours and increased employment will never be exactly one-to-one (i.e. a 10.0 percent reduction in average hours will not lead to a 10.0 percent increase in employment), shorter work years will in general lead

³ An important caution is that these efforts can go too far. At some point, a high enough minimum wage will create enough job loss that the net effect on the low-wage labor market is negative. The additional increment to hourly pay will not offset the reduction in hours worked as result of the pay increase, leaving low-wage workers on average worse off. It is important not to press increases in the minimum wage to this level in places where the politics might allow it. Not only will an excessive minimum wage be a bad story for the low-wage workers immediately affected, it will also be held up as an example of the folly of pushing for higher minimum wages more generally. That could be a serious setback for efforts to raise wages for low-wage workers.

to more jobs. Mandating various forms of paid leave, including paid vacation, is entirely within the power of state governments.

Similarly, states have the authority they need to promote work sharing as an alternative to layoffs when companies see reduced demand for labor. As it stands more than half the states, including large states like California and New York, already have work sharing programs as part of their unemployment insurance systems. Work sharing policies can be an effective way to combat unemployment. In the recession, Germany's downturn was steeper than in the United States, yet its unemployment rate actually fell. The take up on existing state work sharing programs is extremely low because many employers don't know they exist. Also, many of the programs are overly bureaucratic with rules badly in need of modernization.

Another way that states can improve the labor market for its workers is by ending dismissal-at-will, at least for longer-term employees. Montana already prohibits dismissal without cause for workers who have been on the job for more than six months. This sort of protection makes workers more secure in their employment and can also facilitate union organizing since it would be more difficult to dismiss workers involved in an organizing drive.

States could also require severance pay in order to discourage companies from simply laying off longer-term workers and moving operations overseas. For example, if companies had to pay two weeks of severance pay for each year of employment, a worker who had been on the job for twenty years would be entitled to forty weeks of severance pay. This would provide a substantial financial cushion to a longer term worker facing the loss of their job. More importantly, it would change the equation for employers. If they knew they would have to pay a substantial price for dismissing workers they would have more incentive to keep them employed. This would encourage them to modernize facilities and upgrade workers' skills, since this would be preferable to large severance payments for simply getting rid of them.

Severance pay can be set at levels that are too high and discourage hiring and investment, but there is a long way between zero and this point. Germany, which has substantial severance pay requirements, has an unemployment rate of just 4.1 percent. States where progressives have a voice can make steps towards providing more secure unemployment without worrying about massive capital flight.

Reforming Health Care

Progressives have generally focused their efforts on health care reform at the federal level, which is where many of the key policy decisions are made; however, there are steps that can be taken at the state level. Health care is an area where the market has been structured to create enormous rents for doctors, drug companies, and insurers. There are ways to undermine these rents for the benefit of the people in a state taking progressive measures.

One route is to take advantage of the lower cost health care available in other countries. While it doesn't make sense to go to Germany, Canada, or Thailand for a check-up or emergency care, there are many expensive surgical procedures that are done on a non-emergency basis, where there can be enormous savings from having them performed outside of the United States. In some cases the cost difference can be an order of magnitude, with high-quality facilities in hospitals in India or Thailand performing procedures that would cost \$100,000 to \$200,000 in the United States for a tenth of the price. The gap can allow for enormous savings even after paying for the travel of the patient and family members and a stay overseas for a period of recovery.

By facilitating this travel for medical care, states can both directly save money for themselves on programs like Medicaid and for their residents on their health care. At the same time, they will be calling attention to the fact that health care costs in the United States are out of line with the rest of the world, not because we get better care, but because we allow providers to gouge the public.

To facilitate this sort of travel, states would need to first assure the quality of care in overseas facilities. In Western Europe and other areas with strong regulatory systems, states should be able to accept the foreign countries' certification. In developing countries, with facilities of uneven quality, it would be necessary to have some independent review process. There are currently international accreditation systems, but their integrity is questionable. In principle, it should be possible to support a system that could ensure that patients will be getting high-quality care. Developing countries would benefit from having patients from the United States and other wealthy countries, so they should be willing to share in the cost of setting up a strong accreditation system.⁴

4 There is an issue that patients from rich countries could be pulling resources away from people in the developing world. This can be offset by a tax on medical travel which is used to train more doctors and medical personal in the developing country. An individual state cannot guarantee that a developing country will tax medical travel and use the proceeds to improve health care, but on the other hand, if a government is not committed to providing health care to its population, the presence of foreigners using its health care system is likely to have little consequence for the ability of its people to get care.

The other way in which states can facilitate medical travel is by setting up a clear system of legal liability so that patients will be compensated for damages from improper care. Patients will not be likely to risk their health in another country unless they can have assurances that the care is of high quality and that there is legal redress in the event that something goes wrong. Rules for medical malpractice are largely set at the state level so it should be entirely feasible for a state to put in place rules whereby an intermediary arranging medical travel would be legally responsible for any complications that may result from improper care.

The United States pays its doctors more than twice as much on average as doctors in other wealthy countries. This is the result of both protectionist measures internationally and licensing restrictions domestically. On the international side, doctors are prohibited from practicing in the United States unless they complete a U.S. residency program. Obviously, there are hundreds of thousands of very competent doctors in Europe and elsewhere who are excluded from practicing medicine by this measure. While this protectionist measure may cost the country as much as \$100 billion a year in higher health care costs, it is almost never mentioned by “free traders,” which says an enormous amount about the sincerity of their commitment to free trade.

States cannot overturn this federal regulation, but they can try to work around it. Missouri, Kansas, and Arkansas have all passed laws⁵ allowing physicians who have not been accepted to a residency program to practice under the supervision of another physician. Programs like this can be expanded to allow more doctors to practice, putting downward pressure on their pay. States can also be aggressive in expanding the range of practice of nurse practitioners and physician assistants. In addition to reducing the cost of care, this will also provide good paying jobs to workers somewhat below the top 2–3 percent inhabited by doctors.

There should also be as much effort as possible to take the control of health care standards away from people who have a direct financial stake. In the United States, two-thirds of physicians are specialists, which in other wealthy countries only one-third are specialists. This means that general practitioners perform many diagnoses and procedures in other countries that are typically done by specialists in the United States. There is little evidence that this greater use of specialists typically results in better outcomes. Doctors should not be the ones setting the standards of care. It would be best if these standards are set by other health care professionals without a direct financial stake. This will be increasingly important as technology is likely to facilitate diagnoses by less highly trained (and paid) health care professionals.

5 Morgan (2016).

There is also an enormous amount to be saved from avoiding patent protected drug prices in the United States. The country currently spends \$430 billion on prescription drugs. These drugs would likely cost around \$60 billion in a free market. In the case of very expensive drugs, like the hepatitis C drug Sovaldi, the ratio of the protected price to the free market price can easily be more than 100 to 1. (The list price of Sovaldi in the United States is \$84,000, while a high-quality generic is available in India for less than \$200.) While states cannot directly get around patent monopolies, they can make it easier for their residents to circumvent them. One way would be to keep a list of reliable suppliers in other countries from which residents could order drugs.⁶ For patients on Medicaid or other state health insurance programs, they can even offer to share the savings with the beneficiary. Also, in the case of very expensive drugs which can cost well over \$100,000 for a treatment, states can offer to allow beneficiaries to travel to take advantage of lower cost drugs and share in the savings. The point of this policy is both to save money and to drive home how drug companies have taken advantage of government imposed monopolies to get rich at the expense of the rest of society.

Corporate Governance

Another area that can be addressed at the state level is the corruption of the corporate governance process. As it currently stands, the rules of corporate governance allow CEOs and other top management to effectively rip-off shareholders by giving themselves exorbitant salaries. The ostensible check on CEO pay is the corporations' boards of directors, but these directors almost invariably hold more allegiance to top management than the shareholders they are supposed to represent.⁷

Contrary to what the many self-proclaimed supporters of free markets would have us believe, the rules of corporate governance are determined by the government, not the free market. Companies are incorporated at the state level, which means that states can change rules of incorporation to structure them to be more favorable to shareholders. As it stands now, the bulk of shares are voted by asset managers like BlackRock. These asset managers almost always support management in their choice of directors as well as other issues put up for a vote by shareholders.

State governments could take away these proxy votes and require that corporations only count votes from shares that are directly cast by shareholders. This would make it far easier for a limited number

⁶ While the legal status of importing drugs is not entirely clear, the government has generally allowed individuals to import drugs for personal use.

⁷ More than 99 percent of directors that stand for re-election win.

of investors to organize to get rid of directors that are not doing their jobs. It would also make it easier for shareholders to hold down CEO pay. One way to further this process would be to attach some consequence to currently non-binding “Say on Pay” votes required by the Dodd-Frank Act.

Under this law, shareholders have the opportunity to vote down the pay package for CEOs at regular intervals. There is no direct consequence of the package being voted down, except as a reprimand to directors for allowing an excessive package. States could alter this, for example, by putting into law that directors lose their pay if a “Say on Pay” package is defeated. While less than 3.0 percent of pay packages currently go down to defeat, this risk is likely to make directors more cautious in awarding high CEO pay. Ideally, this would set in motion a downward spiral in which directors feel the need to make sure that the pay of their CEO does not rank among the highest in the industry, in order to reduce the risk of losing their pay for the year.

Of course, many corporations could just opt to re-incorporate in a different state, but this would require CEOs to effectively say that they are scared of letting shareholders have a voice in running the company that they are supposed to own. It would also call attention to the fact that it is not the market that gives CEOs annual salaries in the tens of millions, but rather the corruption of the corporate governance process. Furthermore, there would be relatively little consequence for corporations deciding to re-incorporate elsewhere. The fees for incorporation are a drop in the bucket for most states (Delaware is the major exception).

States could also decide to directly put some downward pressure on the pay of CEOs in the non-profit sector. The explosion of CEO pay in the corporate sector has put upward pressure on the pay of CEOs in universities, non-profit hospitals, and private charities and foundations. The pay of top executives in these areas is directly subsidized by taxpayers through their special tax treatment. Most of the tax subsidy comes from the deductibility of charitable contributions on federal income taxes. For high end earners, this amounts to a 40 percent subsidy. States typically also allow a deduction from state income taxes, as well as special treatment on sales and property taxes.

There is no reason states could not impose a cap on pay as a condition for receiving this subsidy. The president of the United States gets paid \$400,000 a year. It seems reasonable to set a comparable cap for pay at institutions benefitting from special tax treatment. This cap would not in any way be limiting what non-profits pay their top executives, it would just limit what they could pay and still receive a subsidy from taxpayers. In addition to putting downward pressure on the pay at the top, caps of this sort would call attention to another way in which taxpayers are subsidizing the salaries of the most highly paid people in the country.

The Financial Sector

While the federal government must take responsibility for reining in the worst abuses in the financial sector, there are many areas where progress can be made at the state level. First, and most obviously, states have the power to curb many of the worst abuses of the financial industry in dealing with consumers. This includes abuses in the issuance and servicing of loans, excessive fees associated with bank overdrafts and credit card late fees, and fees associated with 401(k)s and other savings vehicles.

This essentially means strong regulatory agencies that are empowered to ban hidden fees and put caps on the size of these charges. In the case of retirement accounts, states can allow workers to buy into accounts that piggy bank on the state employee retirement accounts, as Illinois and California have already done.⁸ The savings on fees, which can be more than 1.0 percentage point a year, can add tens of thousands of dollars to the retirement savings of middle class workers. Similarly, many state pension funds pay excessive fees to private equity companies and hedge funds. The managers of these funds are among the richest people in the country. States should carefully scrutinize these contracts to ensure that pension funds only pay fees that are commensurate with higher than normal returns. Full public disclosure of fees and returns are an important step in this direction. This will both put a check on inequality and save pension funds money.

Finally, states that don't have major financial exchanges (i.e. all except, New York, New Jersey, and Illinois) can tax some financial transactions; specifically, they can impose a tax on the transfer of mortgages issued on property within state boundaries. A modest tax on mortgage transfers (e.g. 0.1 to 0.25 percent) can be a substantial source of revenue as well as disincentive to excessive shuffling of mortgages. Issuers that have a good reason to transfer a mortgage will not be discouraged from doing so from a tax of this size.

The impact on homebuyers will be modest even if it is assumed that the tax is fully passed on in the cost of the mortgage. (A 0.1 percent tax would be equivalent to an increase of 1 basis point or 0.01 percentage point, on a mortgage that is transferred once over a 10-year life.) Perhaps more importantly, this sort of measure could be a way of familiarizing the public with the idea of financial transactions taxes and driving home the fact that they are not inconsistent with well-functioning financial markets.

⁸ Illinois already has a plan in place under which workers without 401(k)s at their workplace will contribute 2.0 percent of their pay to a plan administered by the state, unless they choose not to. California has a similar plan set to go into place in 2020.

In a similar vein, state and local governments can impose a tax on vacant properties. This is another good way to raise revenue by providing a disincentive to speculate on property. This is a tax that should involve relatively low administrative costs, since governments already have recorded an assessed value for most properties, so the vacancy tax would simply involve an additional tax (e.g. 1.0 percent) on property that sits idle for longer than six months or some other period. This gives owners an incentive to either lower rents or to sell their property. This is a tax where even efforts at evasion have the desired effect of making it more costly to leave a property unused.

The City of Vancouver imposed a vacancy tax in the summer of 2016 to curb speculation in its housing bubble. While it is too early to say anything definitive about the impact, house prices have been falling there in recent months.

Artistic Freedom Vouchers

Copyrights are another area in which progressives can look to challenge policies that have fostered the upward redistribution of income over the last four decades. While state and local governments cannot reverse laws on copyright that are written at the federal level, and locked in through various international agreements, they can seek to promote work that is funded outside the copyright monopoly system.

There are a variety of ways they can look to do this. Perhaps the simplest is through the direct commissioning of college textbooks that could be made available on an open source basis, at least to students in the state. The logic here is fairly straightforward. Rather than having tens of thousands of students pay the copyright-protected fee to use a textbook, a state could commission academics in the relevant fields to produce a book for the use of the students in the state. It would be important that the process be controlled by experts in the relevant field to limit the possibility of political influence. Also, there would be no requirement that the texts produced be used by classes at the state's schools, it would simply be an option where the benefit would be that the textbook would be available at zero cost online or for the cost of printing a hard copy.

For a large state like California, this would almost certainly provide huge savings. It would likely still save money in smaller states, especially if they acted cooperatively. The availability of open source textbooks would also have the advantage that a professor would be able to freely mix sections from different texts without imposing large costs on students.

States and/or local governments could also look to directly challenge the copyright system by establishing an alternative funding mechanism for creative work. A route that I have suggested elsewhere is an “Artistic Freedom Voucher.”⁹ Under this system, every resident of a state or city would effectively be given a refundable tax credit, like the earned income tax credit, of a modest amount to support creative work.¹⁰ The quid pro quo for accepting this money is that the creative worker would be ineligible for copyright protection a period of time (e.g. 3 years) after the received the funding.

This could support a vast amount of creative work, such as books, music, and movies, all of which would be in the public domain. The problem from the standpoint of a state or city going this route, as opposed to a larger body like the federal government, is the classic free rider problem. A state or city that opted to do this would be financing the creation of material that could be enjoyed by people everywhere in the world at zero cost.

Nonetheless, it is possible that the finances could still work. The availability of the funding would be an enormous draw to creative workers, especially if there was a residency rule, for example that a creative worker had to be physically present for eight or nine months a year to be eligible to get funds through the system. Suppose a mid-sized city with 500,000 people made \$100 available to each person for this purpose. If 60 percent were spent, this would come to \$30 million. That would likely be sufficient to draw many creative workers to compete for this funding.

In order to improve their reputation among the residents, and to generate income, these workers would likely be performing live music, staging plays, offering writers’ workshops and doing other activities that would command an audience. A city could quite possibly earn back considerably more money in tourist revenue from people attracted by the influx of creative workers than what it paid out in the vouchers. Of course, this sort of experiment could be made easier if an innovative foundation were prepared to share in the costs for the first few years.

This is the sort of policy that could help push the country off the path of copyright supported work and instead on a path that promotes openly available material. This is almost a much more efficient route and one that it is likely to promote a much more diverse range of creative work. It is also likely to lead to less inequality since we would probably no longer see a few mega stars commanding the bulk of the income going to creative workers, along with the many intermediaries who get rich under the current system.

⁹ See Baker (2016), chapter 5.

¹⁰ The city of Seattle recently passed a policy along these lines, providing \$100 to every registered voter to support candidates in local elections.

Conclusion: Policy at the State Level Can Create Facts on the Ground to Reorder Thinking

The debate on economic policy in the United States and elsewhere is typically framed as one between conservatives who like the market and progressives who favor a large role for government. This is both wrong and wrong in a way that hugely favors conservatives. Conservatives are entirely happy to have a large role for government in structuring the market; they just don't like big government programs that benefit the poor and middle class. Over the last four decades, they have promoted a range of government policies aimed at restructuring the market in ways that redistribute income upward.

Progressive policy should focus on creating alternative structures that reverse the upward redistribution of the last four decades. While the likelihood for much progress in this direction at the national level during the Trump administration seems minimal, there will be opportunities in states where progressives still have substantial political power.

This discussion has outlined a number of areas, such as challenging patent and copyright monopolies, reversing protectionist measures that inflate doctors' pay, and altering a corrupt corporate governance process that allows CEOs and top management to rip off their companies. In each case, the proposals should both directly benefit the people of the state or city adopting them, while undermining the ideology that the market, as opposed to conscious policy choices, has led to the massive upward redistribution of the last four decades.

Reversing this upward redistribution and pushing policies that ensure everyone a decent quality of life is a massive long-term project. The first step is getting a clear idea of where we are trying to go.

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