

A White Paper: The Reconstructionist Rabbinical College Tikkun Olam Commission and Economic Inequality

June 15, 2014

In the Summer of 2012, the Reconstructionist Tikkun Olam Commission (TOC) engaged in an extensive and deliberate process and determined it to be most effective to focus on one area of social justice. After much consideration and debate, the TOC decided to focus on economic inequality.

This White Paper contains:

- 1: The extent of economic inequality. (Pages...)
 - 2: Some impacts of economic inequality. (Pages...)
 - 3: Why economic inequality is important from a Reconstructionist Jewish perspective. (Pages...)
 - 4: Some policies and steps to help reverse the trends of economic inequality. (Pages...)
- Addendums: Text Study, Community Approaches.

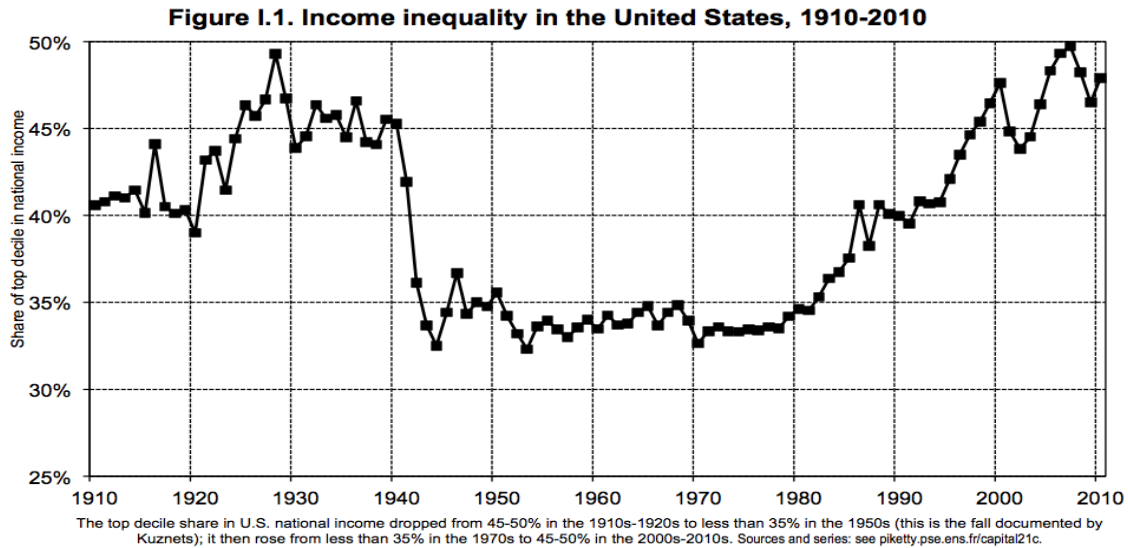
The Extent of Economic Inequality

Summary of points in this section: Income inequality is rising to where it was right before the Great Depression. An increasing percentage of total income went to the top 1% of Americans in the last 35 years. Our level of inequality compares poorly with other industrialized nations. The richest of the richest, the .1%, took in an increasing amount of total income over the past 30 years. Median wages stagnated over the past 35 years, despite American workers being more and more productive.

In this section, we will lay out several examples of the extent to which the United States economy is trending toward greater inequality. It is easy to get bogged down in numerical data, so this section will rely heavily on graphs and charts.

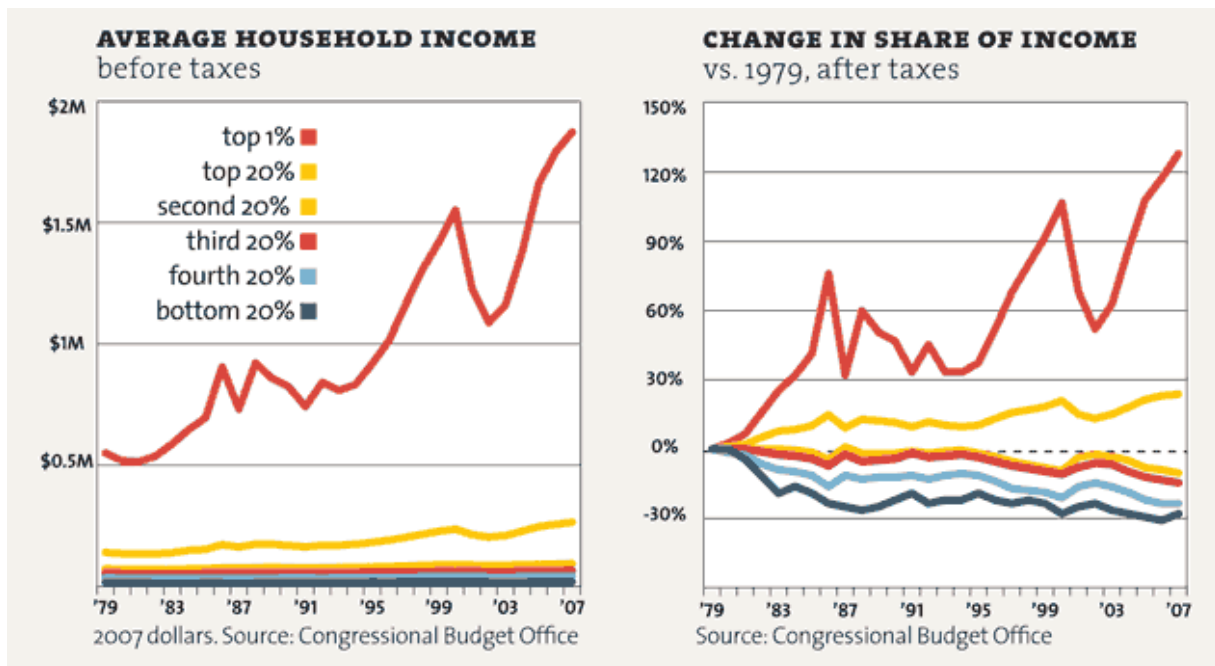
The graph below shows us that income inequality has increased in recent years. This graph represents the share of total income that has gone to the top 10% of income earners in the United States over the last 100 years: ¹

¹ Yglesias, Matthew. "How Economically Unequal Is the United States?" Vox. 7 May 2014. Web. 15 June 2014. <<http://www.vox.com/cards/income-inequality/how-economically-unequal-is-the-united-states>>.



As can be seen from this graph, the top 10% of income earners held an almost 100-year-high in terms of percentage of national income in the first decade of the 21st Century, followed by a short drop at the beginning of the Great Recession, followed by an upward swing toward its previous high.

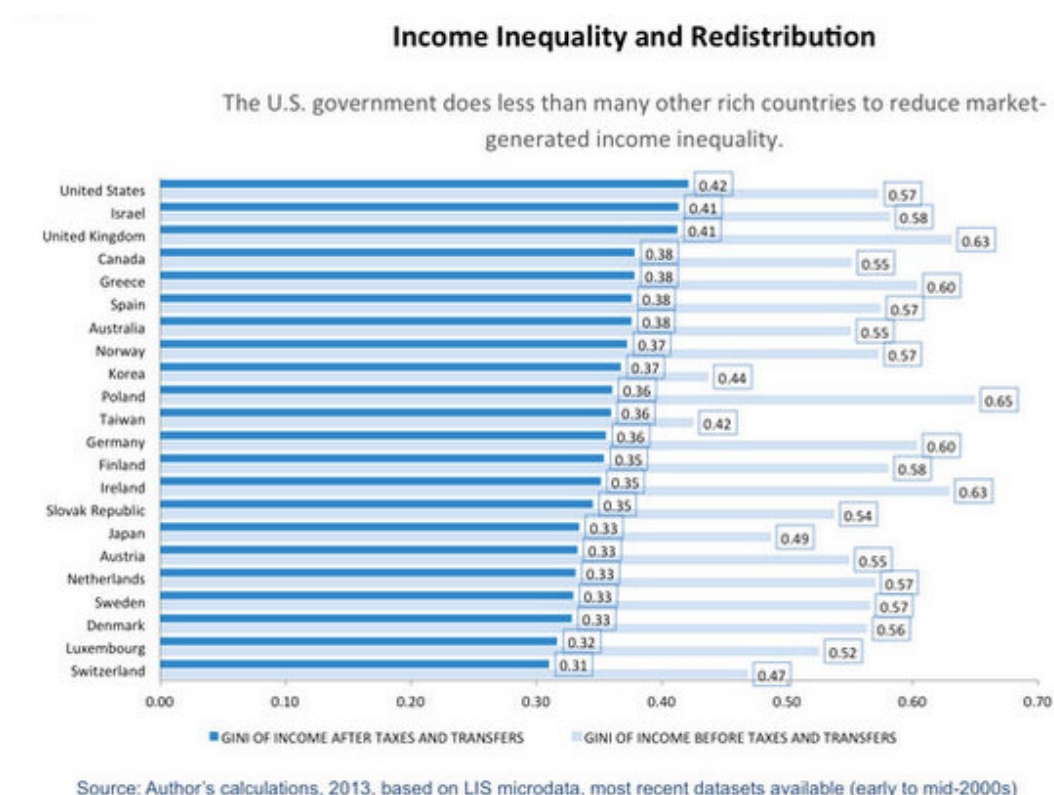
The following graph shows a similar trend:²



² Gilson, Dave, and Carolyn Perot. "It's the Inequality, Stupid." Mother Jones. Web. 15 June 2014. <<http://www.motherjones.com/politics/2011/02/income-inequality-in-america-chart-graph>>.

The left-hand graph shows the extent to which average household income has increased according to various portions of U.S. residents. The right-hand side shows the percentage change in the share of income each section of the population has held over time. Note that the share of the top 1% has risen dramatically, the share of the overall top 20% has slightly increased, and the share of every other quintile has gone down.

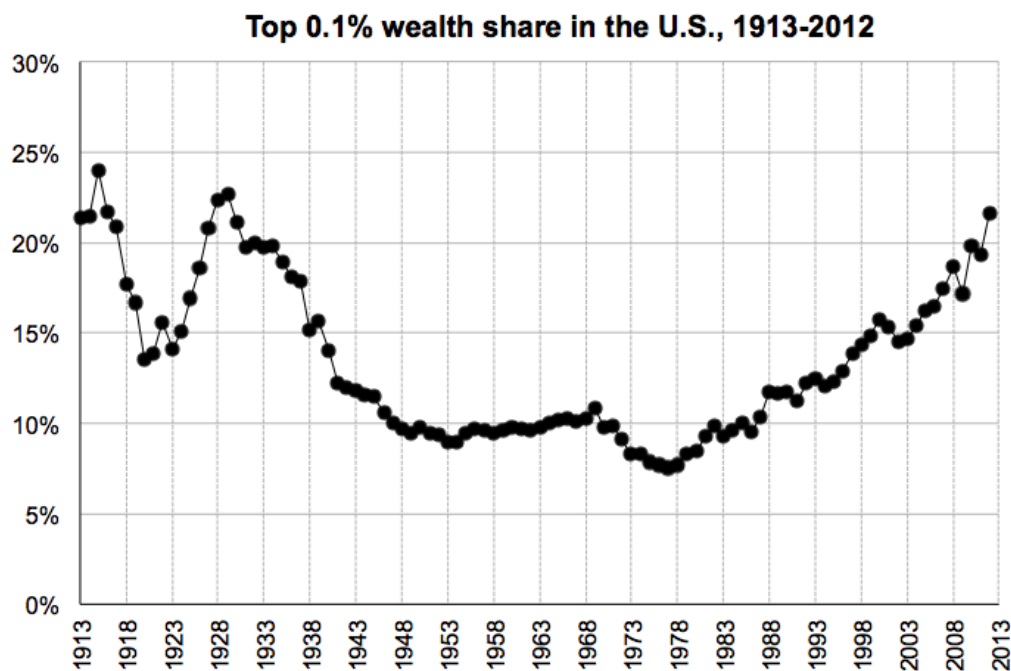
Note, too, that the U.S. has a particularly egregious record compared to other developed countries. The following graph ranks wealthy countries according to what is known as the Gini Coefficient. As *The Economist* explains “In a hypothetical country with a coefficient of 0, everyone has exactly the same income, while a nation with a coefficient of 1.0 is home to one fat cat who takes everything while everyone else earns nil.”³



Note that the United States is at the top of the list (while Israel is second) according to the dark blue line. The dark blue line represents the level of income inequality within a country *after* taxation and social welfare programs have been taken into account. In other words, the United States has the highest level of income inequality of all wealthy nations after efforts to redistribute wealth like progressive taxation and welfare programs take effect. The dark blue line tells the story of what is *actually* taking place in a country, after its laws affect actual income.

³ M., S. "Gini in the Bottle." *The Economist*. 26 Nov. 2013. Web. 12 June 2014.
<http://www.economist.com/blogs/democracyinamerica/2013/11/inequality-america>.

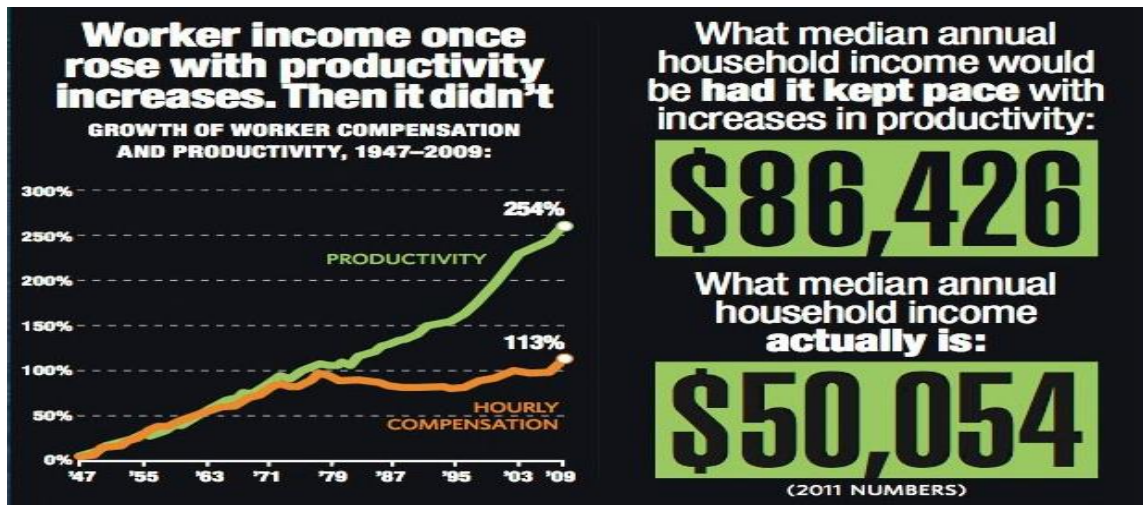
Thus far, we have been dealing with annual income, i.e., how much money someone makes over a year. Also on the rise is *wealth* inequality. Wealth refers to how much in assets a person has at a particular period in time. The following graph shows the rise of the share of national wealth held by the top .1% of wealth holders, i.e., the top one tenth of one percent:⁴



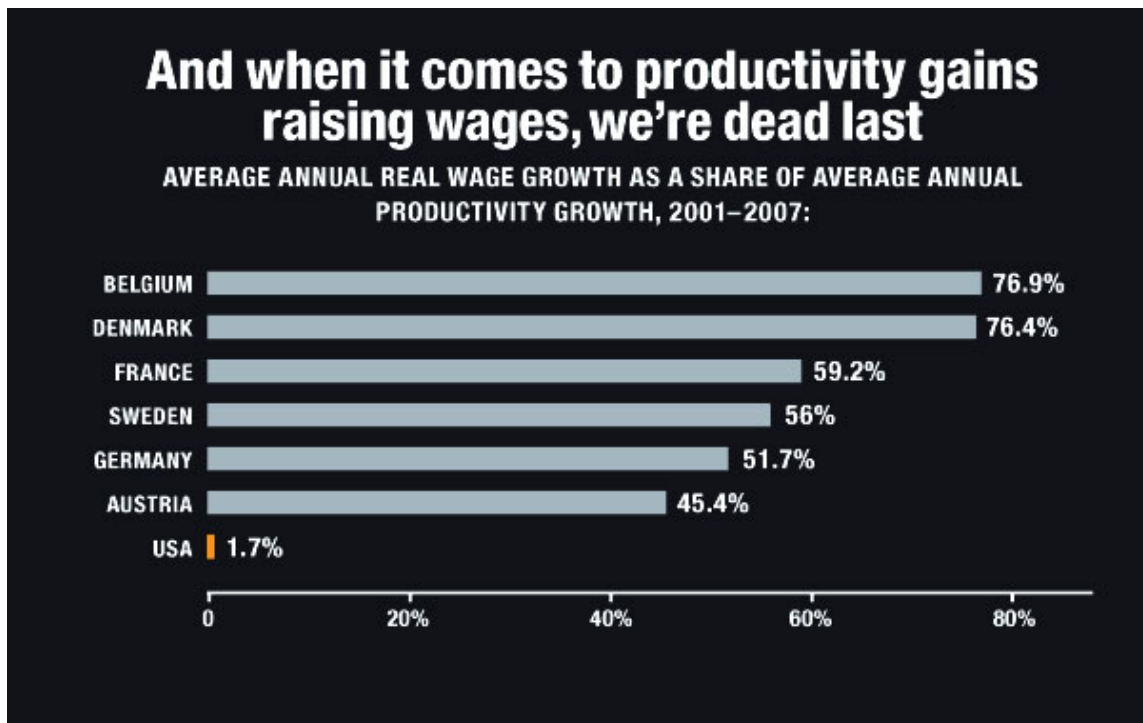
One of the simplest ways to understand the real world significance of our increasing economic inequality is to see how median annual income has stagnated despite increasing productivity. Since the 1940's, U.S. workers are more and more productive every year, yet are no longer being paid more for their increases in productivity. Over the last 40 years, wages have stopped increasing alongside our collective productivity. Had wages increased alongside worker productivity, the median annual income would be over \$36,000 higher than it is today.⁵

⁴ Yglesias, Matthew. "How Does Income Inequality Relate to Wealth Inequality?" Vox. 7 May 2014. Web. 15 June 2014. <<http://www.vox.com/cards/income-inequality/how-does-income-inequality-relate-to-wealth-inequality>>.

⁵ Meyerson, Harold. "The 40-Year Slump." The American Prospect. Web. 15 June 2014. <<http://prospect.org/article/40-year-slump>>.



It is important to note that this trend does not appear to be inevitable, but is the result, in part, of specific public policy choices. For comparison, look at the percentage of annual productivity growth that is seen in corresponding wage growth in the U.S. compared to comparable economies between 2001-2007.⁶



We learn from all the above information that over the last 40 years in the United States of America, the rich have gotten richer, everyone else has become poorer, and the gap between the very rich and everyone else is growing.

⁶ Id.

The gap between the haves and the have-nots is widening. Now, we must ask if this is a problem.

Impact

Summary of points in this section: Synagogue membership, political inequality, social impact, economic impact, and putting it all together.

Falling synagogue membership

People who do not have money to be synagogue members will probably not be synagogue members. In the latest Pew study, we learn that 18% of those with annual incomes less than \$50,000 belong to a synagogue. This is less than half the membership rate of those who make between \$100,000-\$150,000 (37%), and those who make over \$150,000 (41%).⁷ There are many imperfect ways to counteract this hard truth. Abatement programs, wealthy funders, voluntary dues, and membership rates as a percentage of income, to list a few. These strategies can be onerous, rare, require a wealthy congregation, or can cause resentment from richer members and feelings of indignity from poorer members. Each of these strategies is a potentially helpful but flawed reaction to a worsening national trend, a band aid for a growing wound.

Social Mobility

Whether or not increasing rates of economic inequality directly cause decreasing levels of economic mobility – and at least one study suggests that it does⁸ – what seems clear is that economic mobility in this country, i.e., the ability of those born into lower economic circumstances to move up the ladder if they work hard enough, is more limited than many of us assume. As President Barack Obama cited in remarks to the Center of American Progress, “A child born in the top 20 percent has about a 2-in-3 chance of staying at or near the top. A child born into the bottom 20 percent has a less than 1-in-20 shot at making it to the top. He’s 10 times likelier to stay where he is.”⁹

Such statistics show the extent to which the circumstances of our birth and upbringing greatly contribute to our lot in life. Failure to recognize this contributes to complacency, to taking for granted the gifts we have been given, and to a false sense of accomplishment. Recognition of the contribution of the circumstances of our birth does not diminish our own contributions to our success and well-being, but it puts them in the proper context.

⁷ **Pew Study**

⁸ Krueger, Alan B. "The Rise and Consequences of Inequality in the United States." 12 Jan. 2012. Web.

<http://www.whitehouse.gov/sites/default/files/krueger_cap_speech_final_remarks.pdf>.

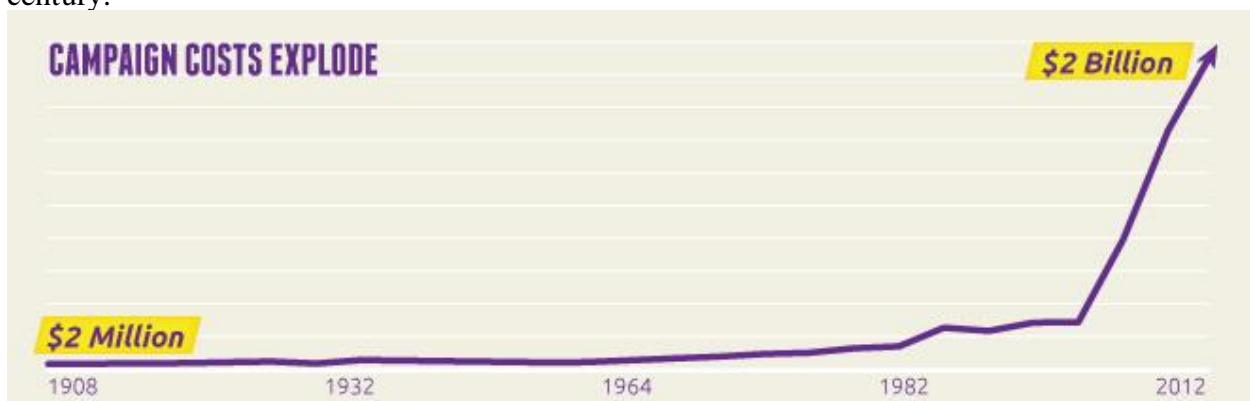
⁹ Obama, Barack. "Remarks by the President on Economic Mobility." The White House. 4 Dec. 2013. Web. 15 June 2014. <<http://www.whitehouse.gov/the-press-office/2013/12/04/remarks-president-economic-mobility>>.

Further, recognition of this idea and these statistics gives us a deeper understanding of the extent to which the cards are stacked against those among us who were not blessed with similar circumstances of birth, and, in that vein, of the extent of the investment needed to help them reach their full human potential.

Political Inequality

In the United States of America, the gradual four decade increase in economic inequality correlates with an increase in the amount of money in politics and a corruption in the democratic process in favor of those with money.

Below, we see the total amount of money spent during Congressional campaigns over the last century.¹⁰



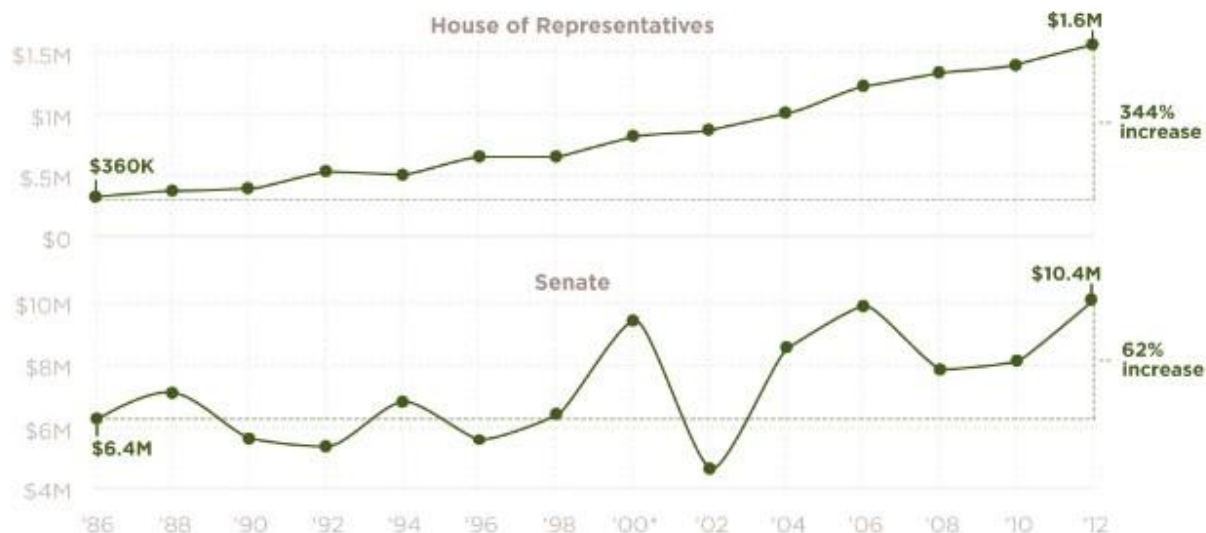
In the chart below, we see how the average Congressional election has become more expensive since the mid-1980's.¹¹

¹⁰ Represent.us

¹¹ Vox

The cost of winning congressional elections

Here is the average cost of winning elections in the House and Senate since 1986 in 2012 dollars.



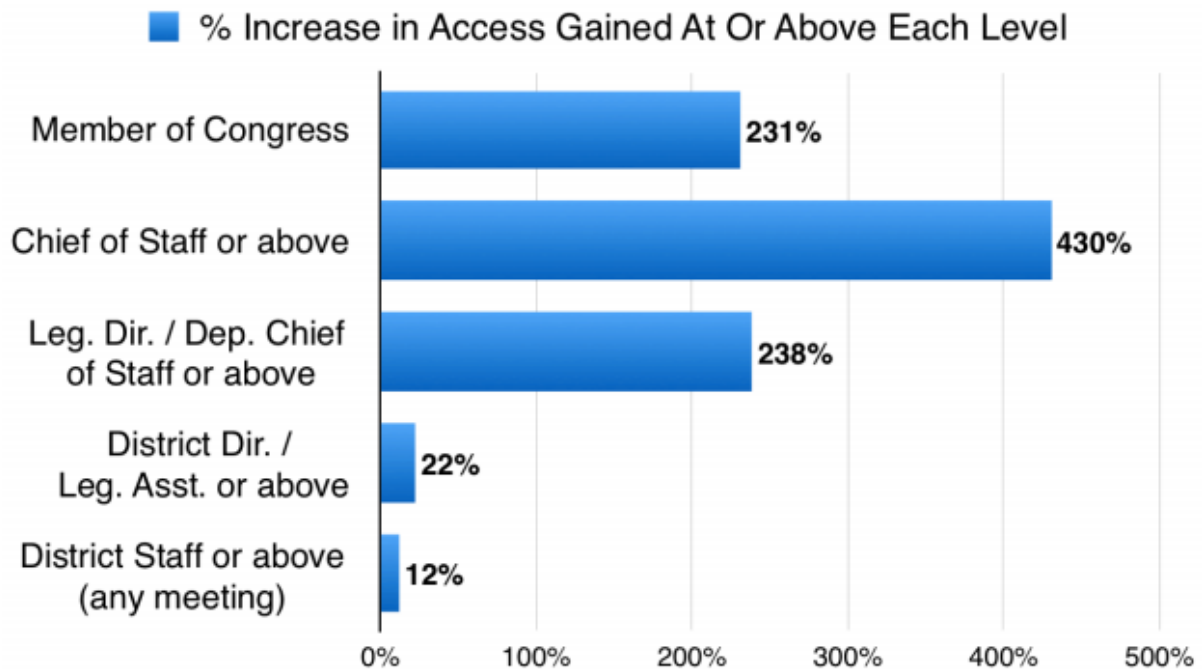
* Jon Corzine spent \$63,209,506 to win the U.S. Senate seat in New Jersey; Hillary Clinton spent \$29,941,194 on her Senate win in New York. The remaining Senate winners spent an average of \$4,737,365. • Inflation adjustment based on average 2012 Consumer Price Index.
Source: Campaign Finance Institute

Congressmen need to raise large amounts of money to run for public office, and once in office, they spend between 4-7 hours a workday fundraising.¹² Most of the funds raised are from the very rich. In 2010, 0.26% of Americans funded 68% of contributions to Congress.¹³ When politicians collect money, they also implicitly grant their contributors access to their power. We can roughly quantify the access that money buys thanks to a study done by Joshua Kalla and David Broockman of UC Berkeley. They attempted to schedule meetings with Congressional offices. Sometimes they claimed to be political donors, and sometimes they did not make that claim. Below are their results:

¹² Vox.

¹³ Vox.

Figure 1. Percentage Increase in Access Revealed Donors Gained, At Or Above Each Level

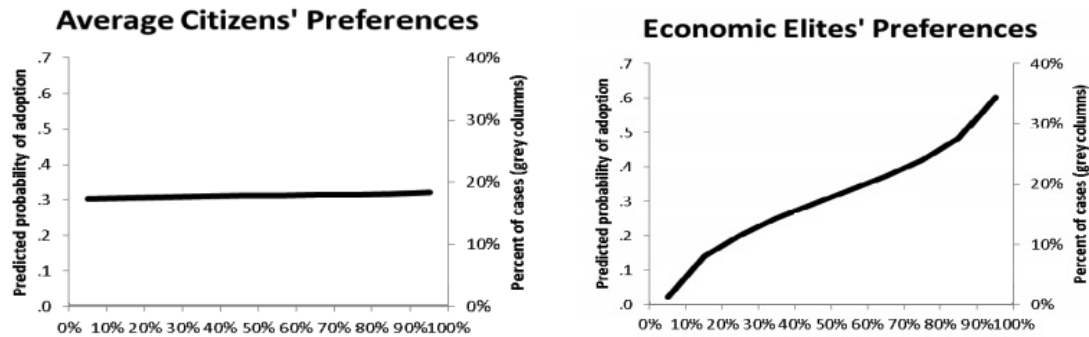


We can see the increase in access gained at each level of a Congressional office when one states that they give money to politicians.¹⁴

The need for politicians to raise money from people who have money, and then granting access to those people, creates a democracy where politicians are more responsive to their wealthy donors than to the general public.

This hypothesis was put to the test by Martin Gilens of Princeton University and Benjamin Page of Northwestern University. They analyzed opinion surveys on thousands of policy ideas from 1982-2002, and asked the questions, how does the preference of the top 10% of the country affect a bill's passage into law, and how does the preference of the average citizen affect a bill's passage into law? The graphs below demonstrates their findings.

¹⁴ Cha, Mijin. "A New Study Proves That When Money Talks, Congress Listens." Demos. 12 Mar. 2014. Web. 15 June 2014. <<http://www.demos.org/blog/3/12/14/new-study-proves-when-money-talks-congress-listens>>.



The x-axis represents the percentage of the public in favor of a policy, and the y-axis represents the likelihood of that policy becoming law. In an ideal democracy, the line would roughly be a 45° diagonal rising from the bottom left to the top right. If 0% of the public approve a policy idea, in an ideal democracy, it should have a 0% chance of becoming law. If 100% approve of the policy idea, it should have a 100% chance of becoming law. And if 50% of the public approve, the policy should have a 50% chance of becoming law.

The reality discovered by Gilins and Page is quite different. They found that a policy idea has about a 30% chance of becoming law whether the average American citizen was 100% in favor of the policy or 100% against the policy. If just 40% of the economic top 10% favor a policy, there is a 30% chance it will become law. And if 0% of the economic top 10% want a law, that law has a 0% chance of existing. Gilins and Page concluded their study by writing, “When the preferences of economic elites and the stands of organized interest groups are controlled for, the preferences of the average American appear to have only a minuscule, near-zero, statistically non-significant impact upon public policy.”¹⁵

Economic inequality and political inequality fuel each other. As it costs more to run for elected public office, more money must be raised from the shrinking amount of people who have more and more money to spend. Those with the money to contribute to politicians generally favor laws that favor those with money, and thus many of our laws of the land increase economic inequality by favoring those with the money to give to politicians.

In a roundup of books on the subject of political inequality, The New York Times puts the argument as follows:¹⁶

[It] is not only that inequality violates moral values, but that it also interacts with a money-driven political system to grant excessive power to the most affluent. In short, those with power use it to insulate themselves from competitive forces by winning favorable tax treatment, government-protected market share and other forms of what economists call “rent seeking.”

¹⁵ Gilins and Page.

¹⁶ Edsall, Thomas B. "Separate and Unequal." The New York Times. 04 Aug. 2012. Web. 15 June 2014. <<http://www.nytimes.com/2012/08/05/books/review/the-price-of-inequality-by-joseph-e-stiglitz.html?pagewanted=all>>.

Social Impacts

While not without criticism, studies have argued that economic inequality contributes to a range of social ills. Work done by The Equality Trust highlights some correlations between income inequality and various health problems:¹⁷

- Overall levels of physical health and life expectancy are lower in more economically unequal developed countries. This relationship is seen in both international analyses of developed countries and analyses of U.S. states.
- Rates of depression in U.S. states are associated with income inequality (after adjusting for income, proportion of population with a college degree and proportion over 65). The more unequal the state, the higher the prevalence of depression.
- Infant mortality is higher in more unequal countries and more unequal U.S. states.
- Rates of violence are higher in more unequal societies.

The Equality Trust argues that, “The most plausible explanation for income inequality’s apparent effect on health and social problems is ‘status anxiety’. Income inequality is harmful because it places people in a steep hierarchy that increases status competition and causes stress, which in turn leads to poor health and other negative outcomes.”

Economic Impacts

Another question, of course, is whether inequality is “worth it.” The orthodox economic view states that taking steps to reduce inequality impedes overall growth, or, reduces efficiency. A recent study, as well as commentary by top-level economists, suggests that the opposite may be true: Inequality *impedes* economic growth because it prevents many of our citizens from contributing to the economy.

A recent International Monetary Fund study found that countries with lower levels of economic inequality had higher levels of long-term economic growth. As one commenter explained, “Any systematic exclusion of large percentages of the population from the instruments of success – particularly education – hobbles an entire society.”¹⁸ This is an intuitive concept: Imagine if the star player of a basketball team received a disproportionate amount of coaching and training at the expense of the rest of the team. That team would lose every game.

Professor Joseph Stiglitz echoes this sentiment:

Lack of opportunity means that [America’s] most valuable asset – its people – is not being fully used. Many at the bottom, or even in the middle, are not living up to their potential, because the rich, needing few public services and worried that a strong

¹⁷ "Impacts | The Equality Trust." The Equality Trust. Web. 15 June 2014. <<http://www.equalitytrust.org.uk/about-inequality/effects>>.

¹⁸ Schnurer, Eric. "Why Inequality Is Bad for Economic Growth." U.S. News & World Report, 15 Mar. 2014. Web. 15 June 2014. <<http://www.usnews.com/opinion/blogs/eric-schnurer/2014/03/14/why-inequality-is-bad-for-economic-growth>>.

government might redistribute income, use their political influence to cut taxes and curtail government spending. This leads to underinvestment in infrastructure, education, and technology, impeding the engines of growth.¹⁹

Putting The Impacts Together

Economic inequality describes the idea that many in the U.S. today are struggling. The middle class, the working class, the poor. Wages have stagnated since the 1970's even as the overall economy has continued to grow (though, perhaps not as fast as it could have, had tackling inequality been a larger priority). The idea that people can move up the economic ladder with a proper amount of nose to the grindstone is dubious. It is clear that economic inequality (paired with political inequality) are causing both the suffering of a lack of resources and the suffering of a failure of potential.

The Tikkun Olam Commission does not begrudge success. We do not seek to castigate the well off for what they have. The wealthy can be donors to immensely good causes, and oftentimes bear the largest share of the tax burden, which goes towards sustaining the government services that are essential, especially to the needy. But given the destitution some of our citizens face – like the single mother of three who works full time but can't even afford to fully heat her family's house in the winter – and the increasing precariousness of the positions of those seeking a traditional middle-class lifestyle, the fact that the massive returns from this economy increasingly redound to so few leads our souls to cry out in frustration in a way that they perhaps would not if we were merely looking at the problem of poverty rather than inequality.

Reconstructionist Jewish Perspective

Political choices often involve questions of morality and lessons from history. We look to our tradition for insights and guidance about how to best conduct our interpersonal relationships, how to live in a healthy society, how to approach the earth, and how to live full and ethical lives. While there is much to learn from our tradition, it is important to note the Reconstructionist value of the past having a vote but not a veto over our ultimate decisions. As Reconstructionists, we do not outsource our final judgment to the voices of the past, and it is not advisable to directly recreate biblical economic paradigms. But we do recognize that there is serious meaning, guidance, and wisdom to be derived from our holy tradition. Inequality is not a new fad, and we must learn from our tradition.

In Deuteronomy chapter 15, verses 1 through 18 deal with the mandate to cancel certain debts at the end of a seven-year cycle. The JPS Torah Commentary to Deuteronomy observes that, "The repeated use of 'kinsman' (lit. 'brother') in this chapter emphasizes that those for whose sake so many sacrifices are demanded are, after all, one's kin."

¹⁹ Stiglitz, Joseph E. "The Price of Inequality." Project Syndicate, 5 June 2012. Web. 15 June 2014. <<https://www.project-syndicate.org/commentary/the-price-of-inequality>>.

This text makes clear that the exhortation to cancel the debts of the poor should invoke emotional and familial feelings in us. Those whose debts we are cancelling are *our family members*. This is not an act of charity. Those struggling are our sisters, our brothers, our parents, grandparents and children. From a religious perspective, the question of whether we need to help those in hopeless debt, those impoverished, and those left behind, is a question of how interconnected we are. Reconstructionist Judaism emphatically declares that you are your brother's keeper. Our heartstrings should feel tugged, pulled.

This passage from Deuteronomy implicates economic inequality and not poverty. It is inevitable that remission of debts is done by the wealthy to the poor; debt remission refers not to all debts -- for instance, it does not cancel outstanding wages. It is for the direct benefit of people who are poor, and for the indirect benefit of the society as a whole.

Further, the Deuteronomistic exhortation to remit the debts of the poor also reflects the evolutionary instinct in Judaism, and definitely in Reconstructionist Judaism. The JPS Torah Commentary to Deuteronomy notes that debt remission is possibly an innovation in Deuteronomy not evident in an earlier comparable passage found in Exodus 21-23. As the Commentary explains:

The laws of Exodus 21-23 address a pre-monarchic society while Deuteronomy is a product of the eighth-seventh centuries B.C.E. Although poverty existed in every age, it was exacerbated in Israel by a century of wars with the Aramaean kingdoms in the ninth and eighth centuries. Deuteronomy's remission of debts may therefore be the result of the need for more radical steps to counter this increased poverty. These considerations imply that Deuteronomy adds... supplementary provisions [to those in Exodus] in accordance with more recent needs and its own humanitarian emphasis.

This concept of debt remission further evolves a few centuries later. In Nehemiah chapter 5, Nehemiah, the 5th century B.C.E. governor of the renewed state of Judea, became furious at the wealthy elite for increasing economic inequality. The peasants of Nehemiah's time mortgaged their land and houses to the wealthy elite so they could survive a famine and pay taxes. After the famine, the peasants could not pay back the high interest rates imposed upon them, and were starving and selling their children into slavery. Nehemiah chastised the wealthy financiers of 5th century Judea, saying, "What you are doing is not right. Shouldn't you walk in the fear of our God?" The predatory interest on the debts was then forgiven and returned.

Judaism has historically recognized the need to buttress the programs devoted to the support of poor persons (such as tzedakah and leaving the corners of one's fields for poor people). From Deuteronomy and Nehemiah, we learn that when economic inequality is causing suffering, actions must be taken to lessen economic inequality. A standard biblical remedy is debt remission. Remission of debts targets inequality, because those who have the means not to be reliant on their debt collection, i.e., relatively wealthy persons, should cancel debts owed to them by relatively poor persons.

Judaism can be seen as a means to give voice to the pain and yearning our soul feels when we see the injustices of extreme economic inequality. When we see the disparity that exists in our

society today – like when the average CEO makes almost *300 times* what her employee makes, or when the top 25 hedge fund managers make more than all 158,000 kindergarten teachers combined – we are frustrated and our soul cries out. The yearning our soul feels lifts the issue from the level of policy to the realm of spirituality. Let us sympathize with that feeling for the betterment of humanity. For Tikkun Olam.

Remediative Policies

Tax Reform One of the main issues is that much of the rapidly accumulating wealth in this country escapes taxation, whereas the income earned through work by the middle class does not. As Professor Larry Summers, former Treasury Secretary explains:²⁰

Beyond its adverse effects on economic efficiency, today's tax code allows a far larger share of the income of the rich to escape taxation than the poor or middle class. For example, last year's stock market growth represented an increase in wealth of about \$6 trillion, with the lion's share going to the very wealthy. It is unlikely that the government will collect as much as 10 percent of this given the capital gains exemption, the ability to defer unrealized capital gains and the absence of any tax on gains on assets passed on at death.

Meanwhile, the ratio of corporate tax collections to the market value of U.S. corporations is near a record low, thanks to various loopholes. And the estate tax can be substantially avoided by those prepared to plan and seek sophisticated advice. **Closing loopholes that only the wealthy can enjoy would enable targeted tax measures such as the earned-income tax credit to raise the incomes of the poor and middle class more than dollar for dollar by incentivizing working and saving.**

Raise the Minimum Wage Ben Olinsky, at the Center for American Progress makes the argument for why raising the minimum wage is an effective means of combating inequality:²¹

One of the most direct and efficient ways to address inequality is to raise the federal minimum wage. While average workers' wages have remained stagnant, the pay for those at the top has skyrocketed. Today, CEOs make 273 times more than average workers do—a differential that is more than 10 times larger today than it was 50 years ago. From 1968 to 2012, the American economy grew tremendously, driven in large part by a 124 percent increase in worker productivity. If the minimum wage had kept pace, it would be close to \$22 per hour. Yet the minimum wage has not even kept up with inflation and is actually almost a third lower in value than it was in 1968—contributing directly to rising levels of income inequality... But raising the minimum wage is not just a matter of

²⁰ Summers, Lawrence. "Changing the Tax Code Could Help Curb Inequality." The Washington Post, 16 Feb. 2014. Web. 15 June 2014. <http://www.washingtonpost.com/opinions/larry-summers-changing-the-tax-code-could-help-curb-inequality/2014/02/16/9e9c736e-9595-11e3-afce-3e7c922ef31e_story.html> (emphasis added).

²¹ Olinsky, Ben. "6 Policies to Combat Inequality." Center for American Progress, 28 Jan. 2014. Web. 15 June 2014. <<http://americanprogress.org/issues/economy/news/2014/01/28/82929/6-policies-to-combat-inequality/>>.

fairness or a means of combating inequality; it is also needed to jumpstart our economy. Increasing the minimum wage would put money in the pockets of workers, who are likely to spend that money immediately at businesses in their communities.

Increased Private-Sector Unionization The increase in inequality over the last forty years aligns with a decrease in the power of private sector unions. (Public sector unions are, arguably, a different story.) Unions are better able to bargain for good wages for middle class and low-income workers. An example of a remediative policy would be passing the Free Choice Act, which would limit the ability of management from involving themselves in union elections.

Invest in Education A range of policies could be invoked to reduce inequality in the realm of education. For starters, investing in early childhood education could help level the playing field and prevent low-income children from falling so far behind so fast. As one Ben Olinsky notes, “Researchers estimate that half of the achievement gap in high school can be attributed to children’s experiences before age 5.”²² Further, increased numbers of apprenticeships, can help U.S. residents find middle-class wages without incurring student debt. As Olinsky puts it, “Apprenticeships—an ‘earn-while-you-learn’ form of paid worker training—have been shown to significantly boost workers’ lifetime wages and create pathways to well-paying careers for unemployed young workers.”²³ Finally, working to pass a bill like the Bank on Students Emergency Loan Refinancing Act, which was recently defeated in Congress. As Olinsky puts it, “Allowing students to refinance their student loans would boost the likelihood of repayment, freeing up income that could be spent in other sectors and alleviating inequality by lowering the effective cost for low-income individuals to attend college.”²⁴ Increasing educational equity would help equalize the level of opportunity persons have to succeed in this society. It wouldn’t be the case that we could expect persons to succeed solely based on their lot when they were born if we had a public education that served to help level the playing field and gave everyone a fighting chance to reach their potential.

Direct Service

People often look for ways to contribute other than by working to effect policy changes. People often want to make direct contributions on a more interpersonal level. For starters, much of the work that many of our Reconstructionist Jewish Communities do helps to address the problem of economic inequality. Soup kitchens, food pantries, clothing drives – all of these serve to help make matters less unequal for those at the bottom of the economic spectrum. We believe that to fully address inequality, the issue will have to be dealt with on a systemic level, but these interpersonal mitzvot, of course, help as well. Other forms of direct service that could help address inequality include volunteering for an organization that helps low-income, working class, or middle class college applicants fill out financial aid paperwork, or helps those families file taxes, allowing them to claim the Earned Income Tax Credit, one of the more robust inequality-fighting laws in existence now.

²² Id.

²³ Id.

²⁴ Id.

Conclusion

There is no doubt a range of issues to which the RRC Tikkun Olam Commission could devote its attention and resources. But given the perniciousness and extent of economic inequality, the impacts it makes, and the extent to which our Reconstructionist Jewish values are arguably wrapped up in this issue, the Commission chose this as a particularly compelling and timely issue to tackle. We aim to harness the considerable energies of our movement and our communities to do our best to ameliorate the problem, in tandem with other faith-based and social justice communities and individuals throughout this country. In service to the community, “May the favor of the LORD, our God, be upon us; let the work of our hands prosper, O prosper the work of our hands!” (Psalm 90:17).²⁵

Addendum #1 – Text Study

Leviticus Chapter 25

1 The Lord spoke to Moses on Mount Sinai: 2 Speak to the Israelite people and say to them: When you enter the land that I assign to you, the land shall observe a sabbath of the Lord. 3 Six years you may sow your field and six years you may prune your vineyard and gather in the yield. 4 But in the seventh year the land shall have a sabbath of complete rest, a sabbath of the Lord: you shall not sow your field or prune your vineyard. 5 You shall not reap the after growth of your harvest or gather the grapes of your untrimmed vines; it shall be a year of complete rest for the land. 6 But you may eat whatever the land during its sabbath will produce — you, your male and female slaves, the hired and bound laborers who live with you, 7 and your cattle and the beasts in your land may eat all its yield.

8 You shall count off seven weeks of years — seven times seven years — so that the period of seven weeks of years gives you a total of forty-nine years. 9 Then you shall sound the horn loud; in the seventh month, on the tenth day of the month — the Day of Atonement — you shall have the horn sounded throughout your land 10 and you shall hallow the fiftieth year. You shall proclaim release throughout the land for all its inhabitants. It shall be a jubilee for you: each of you shall return to his holding and each of you shall return to his family. 11 That fiftieth year shall be a jubilee for you: you shall not sow, neither shall you reap the after growth or harvest the untrimmed vines, 12 for it is a jubilee. It shall be holy to you: you may only eat the growth direct from the field.

13 In this year of jubilee, each of you shall return to his holding. 14 When you sell property to your neighbor, or buy any from your neighbor, you shall not wrong one another. 15 In buying from your neighbor, you shall deduct only for the number of years since the jubilee; and in selling to you, he shall charge you only for the remaining crop years: 16 the more such years, the higher the price you pay; the fewer such years, the lower the price; for what he is selling you is a

²⁵ JPS Translation

number of harvests. 17 Do not wrong one another, but fear your God; for I the Lord am your God.

18 You shall observe My laws and faithfully keep My rules, that you may live upon the land in security; 19 the land shall yield its fruit and you shall eat your fill, and you shall live upon it in security. 20 And should you ask, "What are we to eat in the seventh year, if we may neither sow nor gather in our crops?" 21 I will ordain My blessing for you in the sixth year, so that it shall yield a crop sufficient for three years. 22 When you sow in the eighth year, you will still be eating old grain of that crop; you will be eating the old until the ninth year, until its crops come in.

23 But the land must not be sold beyond reclaim, for the land is Mine; you are but strangers resident with Me. 24 Throughout the land that you hold, you must provide for the redemption of the land.

25 If your kinsman is in straits and has to sell part of his holding, his nearest redeemer shall come and redeem what his kinsman has sold. 26 If a man has no one to redeem for him, but prospers and acquires enough to redeem with, 27 he shall compute the years since its sale, refund the difference to the man to whom he sold it, and return to his holding. 28 If he lacks sufficient means to recover it, what he sold shall remain with the purchaser until the jubilee; in the jubilee year it shall be released, and he shall return to his holding.

Leviticus 26

¹⁸ And if, for all that, you do not obey Me, I will go on to discipline you sevenfold for your sins, ¹⁹ and I will break your proud glory. I will make your skies like iron and your earth like copper, ²⁰ so that your strength shall be spent to no purpose. Your land shall not yield its produce, nor shall the trees of the land yield their fruit.

³⁴ Then shall the land make up for its sabbath years throughout the time that it is desolate and you are in the land of your enemies; then shall the land rest and make up for its sabbath years. ³⁵ Throughout the time that it is desolate, it shall observe the rest that it did not observe in your sabbath years while you were dwelling upon it.

Deuteronomy 15

1 Every seventh year you shall practice remission of debts. 2 This shall be the nature of the remission: every creditor shall remit the due that he claims from his fellow; he shall not dun his fellow or kinsman, for the remission proclaimed is of the Lord. 3 You may dun the foreigner; but you must remit whatever is due you from your kinsmen.

7 If, however, there is a needy person among you, one of your kinsmen in any of your settlements in the land that the Lord your God is giving you, do not harden your heart and shut your hand against your needy kinsman. 8 Rather, you must open your hand and lend him

sufficient for whatever he needs. 9 Beware lest you harbor the base thought, "The seventh year, the year of remission, is approaching," so that you are mean to your needy kinsman and give him nothing. He will cry out to the Lord against you, and you will incur guilt. 10 Give to him readily and have no regrets when you do so, for in return the Lord your God will bless you in all your efforts and in all your undertakings. 11 For there will never cease to be needy ones in your land, which is why I command you: open your hand to the poor and needy kinsman in your land.

12 If a fellow Hebrew, man or woman, is sold to you, he shall serve you six years, and in the seventh year you shall set him free. 13 When you set him free, do not let him go empty-handed: 14 Furnish him out of the flock, threshing floor, and vat, with which the Lord your God has blessed you. 15 Bear in mind that you were slaves in the land of Egypt and the Lord your God redeemed you; therefore I enjoin this commandment upon you today.

Taken from *Tanakh, The Holy Scriptures*, (Philadelphia, Jerusalem: Jewish Publication Society) 1985. Copyright ©1962, 1992 Third Edition by the Jewish Publication Society.

Samuel I 2:7-8

YHVH makes poor and makes rich; God casts down, God also lifts high. God raises the poor from the dust, lifts up the needy from the dunghill, setting them with nobles, granting them seats of honor. For the pillars of the earth are Yah's; God has set the world upon them.

JEREMIAH 22:13-17

Ha! One who builds one's house with unfairness and one's upper chambers with injustice, who makes their fellow work without pay and does not give them their wages, who thinks: I will build me a vast palace with spacious upper chambers, provided with windows, paneled in cedar, painted with vermilion! Do you think you are more a king because you compete in cedar? Your ancestors ate and drank and dispensed justice and equity -- then all went well with them. They upheld the rights of the poor and needy -- then all was well. That is truly heeding Me -- declares the LORD. But your eyes and your mind are only on ill-gotten gains, on shedding the blood of the innocent, on committing fraud and violence.

Mishna Avot 4:1

Ben Zoma said, Who is rich? He who rejoices in his portion as it is said, "When you eat the labor of your hands, you shall be happy and it will be well with you." 'You shall be happy' in this world, and 'it will be well with you' - in the world to come.

Babylonian Talmud Shabbat 5b

Our Rabbis taught: Who is wealthy? "He who has pleasure of soul in his wealth," this Rabbi Meir's view. Rabbi Tarfon said, "He who possesses a hundred vineyards, a hundred fields and a hundred slaves working in them." Rabbi Akiva said, "He who has a wife comely in deeds." Rabbi Yossi said, "He who has a bathroom near his table."

Babylonian Talmud Baba Metzia 83a

Once some porters broke a barrel of wine belonging to Rabbah Bar Hana. As a penalty, he took their clothing from them.

Thereupon, they went to Rav, and he said to Rabbah: 'Give them back their clothing'.

'Is this the law', he asked.

'Yes', said Rav, That you may walk in the ways of good men. (Proverbs 2:20)

So he gave them back their clothing.

Then they said to Rav, 'We are poor and have toiled all day, we are hungry and have nothing'.

Said Rav to him, 'Go and give them their hire'.

Said Rabbah to him, 'Is this the law'?

Rav answered, 'Yes, And thou shalt keep the paths of righteousness.'

BABYLONIAN TALMUD, BABA METZIA 112A

Whoever withholds an employee's wages, it is as though he has taken the person's life from her. [Translation by Hillel. Edited for gender neutrality]

Exodus Rabbah 31:12

There is nothing in the world more grievous than poverty; it is the most terrible of all sufferings. Our sages have said: If all troubles were assembled on one side and poverty on the other, [poverty would outweigh them all]. When a man is rich and has a poor relative, he does not acknowledge him; for when he sees his poor relation, he hides himself from him, being ashamed to speak to him, because he is poor. [AJWS translation]

Mishneh Torah Hilchot Shmitah v'Yovel Chapter 4

Halacha 24

It is a positive commandment to divest oneself from everything that the land produces in the Sabbatical year, as [Exodus 23:11] states: "In the seventh [year], you shall leave it untended and unharvested."

Anyone who locks his vineyard or fences off his field in the Sabbatical year has nullified a positive commandment.⁸⁵ This also holds true if he gathered all his produce into his home. Instead, he should leave everything ownerless. Thus everyone⁸⁶ has equal rights in every place, as [ibid.] states: "And the poor of your people shall partake of it." One may bring a small amount

into one's home, just as one brings from ownerless property,⁸⁷e.g., five jugs of oil, fifteen jugs of wine.⁸⁸ If he takes more than that, it is permitted.⁸⁹

Mishneh Torah Hilchot Shmitah v'Yovel Chapter 7

Halacha 1

We may only partake of the produce of the Sabbatical year as long as that species is found in the field. [This is derived from [Leviticus 25:7](#)]: "For the animal and the beast in your land will be all the produce to eat." [Implied¹ is that] as long as a beast² [can be] eating from this species in the field, one may eat from [what he has collected] at home. When there is no longer any [of that species] for the beast to eat in the field, one is obligated to remove that species from his home. This is the obligation of *biyur* which applies to the produce of the Sabbatical year.

Halacha 2

What is implied? If a person has dried figs at home, he may partake of them as long as there are figs on the trees in the field. When there are no longer figs in the field, it is forbidden for him to partake of the figs he has at home and he must instead remove them.³

Halacha 3

If he had a large amount of produce, he should distribute⁴ a quantity that can be eaten in three meals to every person [he desires]. It is forbidden - both for the rich and the poor⁵ - to partake of it after the time of *biyur*. If he is not able to find people to eat at the time of *biyur*, he should burn it with fire or cast it into Mediterranean Sea,⁶ or destroy it through any other means.⁷

Halacha 6

When a person pickles three types of produce in one barrel, if one of these types of produce is no longer available in the field, that type of produce should be removed from the barrel.¹² If he began partaking of [the pickled produce], the entire [mixture] is considered as having been removed.¹³

Halacha 7

Just as one must remove the produce of the Sabbatical year, so too, one must remove the money [received in exchange for it].¹⁵ What is implied? One sold pomegranates of the Sabbatical year and used the money received in return for them [to purchase] food. When there are no longer any pomegranates on the trees in the field, but he remains in possession of the money he received for selling them, he is obligated to remove it from his possession.

Halacha 8

What should he do? He should purchase food with this money and distribute it, [providing] three meals to every person [he desires].¹⁶ Alternatively, if he does not find people to partake of such food, he should cast the money into the Mediterranean Sea.

Aruch Hashulchan, the Laws of Tzedakah, 249:3

Of course, it should be understood within the context of this matter that the Torah does not command a person to give everything they have to the poor so that that person becomes poor because “its [the Torah] ways are the ways of pleasantness.”

Truthfully, when Israel was in their land and their situation was good and there were only a few poor people, they were able to fulfill “according to [the poor person’s] needs, etc.” However, when we were exiled from our land and the poor increased and the rich diminished, even if the rich divided up all their wealth it was not enough to satisfy all the poor according to their needs. Therefore, the sages decreed a tenth and a fifth [of your property to be given to tzedakah], and not more, because of the necessity of making a boundary [of giving], and Rabba said in Taanit (20b): “All these things I could myself carry out except the last one... and I could not say ‘all who need come and eat’ because there are so many [poor people] in Mahuza.” There are many poor people there, and his estate would be consumed. [Translation by Rabbi Bruce Elder. Edited for gender neutrality]

Addendum #2 – Community Approaches

The issue of the growing disparity of wealth in our country and income inequality is a vast topic which can feel overwhelming. We deliberately chose a significant topic because we wanted to offer different entry points and diverse opportunities for participation to speak to the range of Reconstructionist communities. We hope by offering these suggestions for engaging your Reconstructionist community through Education, Advocacy, and Engagement that you will have both a starting point for your exploration of these issues and a vision for the world your community can help create. This is not an exhaustive list. We hope it sparks your own unique ways of engaging with economic inequality, and we look forward to hearing how your community is working to speed up the day when justice rolls like a river, and righteousness like a mighty stream.

EDUCATE:

Along with the Jewish texts that teach us about our relationship to money and wealth here are some resources for further reading and ideas on how to educate your community on these issues. With all good study, room for debate, deliberation and an examination of values is important. By putting forth these suggestions, we do not necessarily endorse every idea or position, rather we are offering starting points.

Resources:

- **Movies**

- Inequality for All* <http://inequalityforall.com/>
- Breaking Inequality <http://topdocumentaryfilms.com/breaking-inequality/>

- Default: The Student Loan Documentary www.defaultmovie.com
- Legalize Democracy <https://www.youtube.com/watch?v=O2-q-RBiWhk>
- Paycheck to Paycheck <http://www.hbo.com/documentaries/paycheck-to-paycheck-the-life-and-times-of-katrina-gilbert#/>
- Waging a Living* <http://www.pbs.org/pov/wagingaliving/>
- Wage Crisis <http://topdocumentaryfilms.com/wage-crisis/>
- Park Avenue: Money, Power & the American Dream
<http://video.pbs.org/video/2296684923/>

**There is a good on-line study guide for generating discussions*

- **Books**

- The Soul of Money: Reclaiming the Wealth of Our Inner Resources, Lynne Twist
- The Price of Inequality: How Today's Divided Society Endangers Our Future. Joseph Stiglitz. (W.W. Norton, 2012).
- Aftershock: the Next Economy and America's Future. Robert Reich.
- The Gardens of Democracy: A New American Story of Citizenship, the economy, and the Role of Government, Eric Liu and Nick Hanauer. (Sasquatch Press, 2011).
- 99 To 1: How Wealth Inequality Is Wrecking the World and What We Can Do About It. Chuck Collins. (Berrett-Koehler, 2012).
- The Great Divergence: America's Growing Inequality Crisis and What We Can Do About It. Timothy Noah. (Bloomsbury Press, 2012).
- Winner-Take-All Politics: How Washington Made the Rich Richer — and Turned Its Back on the Middle Class. Jacob Hacker and Paul Pierson. (Simon & Schuster, 2010).
- The Spirit Level: Why Greater Equality Makes Societies Stronger. Richard Wilkinson and Kate Pickett. (Bloomsbury Press, 2009).
- Falling Behind: How Rising Inequality Harms the Middle Class. Robert H. Frank. (University of California Press, 2007).

Think tanks:

- [Economic Policy Institute](#): This Washington D.C. center has been broadening the discussion about economic policy to cover the interests of low- and middle-income workers since 1986.
- [Demos](#): A New York City-based nonpartisan public policy research and advocacy organization working for a more equitable economy with widely shared prosperity and opportunity, among other goals.
- [Institute for Policy Studies](#): A Washington, D.C. and Boston-based community of public scholars and organizers working with social movements to promote true democracy and challenge concentrated wealth, corporate influence, and military power.

- [The Sunlight Foundation](#): A national, nonpartisan, nonprofit organization that uses the tools of civic tech, open data, policy analysis, and journalism to make our government and politics more accountable and transparent to all, with the goal of enabling more complete, equitable, and effective democratic participation.
- [Center for Economic and Policy Research](#): A national research organization working to promote democratic debate on the most important economic and social issues that affect people's lives.
- [Center on Budget and Policy Priorities](#): A Washington, D.C.-based policy organization working at the federal and state levels on policies and programs that impact low- and moderate-income families and individuals.
- [Institute for Women's Policy Research](#): A rigorous research group that explores how poverty and inequality affect women and also examines pay inequality between women and men.

Academic centers:

- [Cornell University Center for the Study of Inequality](#) Fosters basic and applied research on social and economic inequalities, as well as the processes by which such inequalities change and persist.
- [Columbia University Center for the Study of Wealth and Inequality](#) Its mission is the investigation of income and wealth, along with exploring the dimensions of societal inequality
- [Stanford Center for the Study of Poverty and Inequality](#) Seeks social policy to increasing economic output while impacting the rise of debilitating and counterproductive forms of inequality.
- [University of California at Berkeley Center for Equitable Growth](#) Focuses on the linkages between inequality and economic growth, the impact of government policies on the distribution of economic well-being, and how public attitudes on equity and fairness affect the policy process.
- [University of Texas Inequality Project](#) Aims to measure and explain movements of inequality in wages and earnings and patterns of industrial change around the world.

Ways to engage people:

- Screen a documentary and host a discussion.
- Host a book group.
- Offer D'vei Torah.
- A monthly Lunch and Learn/Tikkun Olam Study Group discussing articles or current events related to income inequality.
- Advocacy training.

ADVOCATE:

- Partner with Groups that have On-Going Minimum Wage Campaigns
 - Jews United for Justice <http://www.jufj.org/>
 - Raise the Minimum Wage <http://www.raisetheminimumwage.com>

- Low Pay is Not Ok <http://lowpayisnotok.org/7-billion/>
 - Half in 10 Poverty Campaign <http://halfinten.org/2014/02/23/take-action-and-talkpoverty-toolkits-minimum-wage/>
- Support Domestic Workers
 - Jews for Racial and Economic Justice Shalom Bayit Domestic Workers Campaign <http://www.jfrej.org/justice-domestic-workers>
 - T'ruah Workers Justice Campaign <http://truah.org/issuescampaigns/worker-justice.html>
 - Coworker Campaign *Start Your Own Campaign* <https://www.coworker.org/>
 - National Domestic Workers Alliance www.domesticworkersalliance.org
 - National Guestworkers Alliance www.guestworkersalliance.org
- Invest in Education
 - Support the White House's Preschool for All Program <http://www.whitehouse.gov/issues/education/early-childhood>
 - Generation Progress' Campaign for Affordable College <http://genprogress.org/about/splash/>
- Political Reform (Groups working to separate money and politics).
 - Move to Amend: A nationwide movement to amend the Constitution to say that corporations are not human beings, and money is not speech. www.movetoamend.org
 - Represent.US: A nationwide movement to pass anti-corruption laws at every level of government. www.represent.us
 - Common Cause: A national organization dedicated to more ethical governance. www.commoncause.org
 - 99rise: A nationwide movement committed to non-violence and removing money from politics. www.99rise.org
- Financial Reform
 - Wealth for Common Good A network of business leaders and high-income Americans working together to promote shared prosperity and fair taxation, with members who range from entrepreneurs and doctors to elected officials of all backgrounds and political stripes. <http://wea/lthforcommongood.org>
 - Business for Shared Prosperity Business owners, executives, and investors who support public policies and business practices that expand economic opportunity, reduce inequality, promote innovation, and rebuild our nation's infrastructure. <http://www.businessforsharedprosperity.org/>
 - United for a Fair Economy A national group working to raise awareness about how concentrated wealth and power undermine the economy, corrupt democracy, deepen the racial divide, and tear communities apart. <http://www.faireconomy.org/>
 - Support the 21st Century Steagall Act <http://my.elizabethwarren.com/page/s/glass-steagall>
 - Americans For Financial Reform <http://ourfinancialsecurity.org/>

ENGAGE:

There are many direct service ways to impact those who struggle with the inequality of wealth in our country. These kinds of programs vary from city to city so these are a list of ideas for you to research in your own community.

- Organize a Letter Writing Campaign for Workers (e.g. <http://www.aflcio.org/Get-Involved/Thank-a-Worker>)
- Volunteer with an organization that helps at-risk youth apply for college and navigate FAFSA
- Support an organization that does job trainings, interview skills, and/or provides clothing for people to interview
- Join a group that tutors immigrants, refugees, children in low income communities
- Create or partner with communities in creating or caretaking urban gardens for families in need
- Join a Common Security Club: *A network of locally based groups, situated in communities and congregations, that help participants learn more about today's economic and ecological challenges, undertake mutual aid and shared action, and become part of a larger effort to create a fair and healthy economy that works for everyone.* - See more at: <http://inequality.org/organizations/#sthash.v4zEhqV3.dpuf>