

# Robert Reich's *Inequality for All*: A friendly warning to the powers that be

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*Directed by Jacob Kornbluth*

The documentary *Inequality for All* is inspired by the political and social views of Robert Reich, an establishment figure and Democratic Party politician who worked in the administrations of Jimmy Carter, Gerald Ford and Bill Clinton. Reich was Secretary of Labor in Clinton's first administration (1993-1997). He is presently a professor of public policy at the University of California, Berkeley. He has also taught at Harvard and authored fourteen books, including *The Work of Nations: Preparing Ourselves for 21st Century Capitalism* (1991) and *Supercapitalism: The Transformation of Business, Democracy, and Everyday Life* (2007).

Reich narrates and effectively stars in Jacob Kornbluth's film, in which he rather lamely attempts to convince viewers that it is possible, and indeed crucial, to oppose the growth of social inequality within the framework of a liberal reform agenda. The film is also a friendly warning to the ruling elite that extreme inequality will lead to a "political polarization" that will threaten their ability to rule.

The film is being promoted as an exposé—a "paradigm-shifting, eye-opening experience for the American public" that "accurately show[s] through a non-partisan perspective why extreme income inequality is such an important topic for our citizens today and for the future of America," according to its official website.

In reality, *Inequality for All* presents a potted history of the 20th and early 21st centuries. It glorifies the post-World War II period—which Reich repeatedly refers to as "The Great Prosperity"—and insists that the solution to today's extreme levels of inequality is to emulate that period through liberal reform and national regulation of the markets.

The documentary consists of a number of interviews with members of various social layers—a struggling working class family (although, tellingly, the phrase

"working class" is never uttered by anyone), hand-wringing multi-millionaire businessmen, politicians and most prominently Reich himself—as well as various computer-animated graphs and other visual aids. The film is glued together into a narrative by scenes of Reich lecturing at Berkeley to hundreds of rapt students.

Reich sets the tone for the discussion in one of the film's opening sequences. We see a shot of an Apple Store as he asserts that "capitalism generates a lot of good things." Soon thereafter, Reich poses the film's central question, "How much inequality can we have and still have capitalism?"

The former cabinet secretary presents data from a recent report on social inequality by academics Emmanuel Saez and Thomas Picketty (the same report on which the WSWS also reported last month) that shows social inequality in 2013 at historic highs. A graph showing income inequality from 1917 to 2013, which resembles a suspension bridge with peaks at either end and a trough in the middle, is returned to throughout the film. Reich concludes that during the middle of the 20th century, "What keeps the economy stable is a strong middle class. It keeps the economy going" by "consuming."

In fact, Reich and others in the film (in keeping with the American media and establishment as a whole) talk endlessly about the "middle class." What is this middle class? Reich admits there's no agreed upon definition, but for his purposes he will consider anyone making \$25,000 to \$75,000 per year to be middle class.

The film crew then gives us a glimpse into the life of a struggling "middle class" family trying to get by on the low end of that spectrum. A woman works at Costco making \$22 per hour; her husband was laid off from his job at Circuit City when that company went bankrupt in 2009. They are raising a young daughter and have \$35 in their bank account. They moved in with friends and struggle to pay bills and put food on the table.

It is with an eye to this struggling “middle class” that government policy should be oriented, Reich argues. Beside the fact that classes are determined by their relationship to the means of production, and not by their income, no one viewing this film would suspect that for many American families, the situation is even direr than the examples provided. Census data shows that in 2012, 40.6 million Americans, and fully 20 percent of American children, lived at or below the official poverty line. A report this summer from the National Poverty Center reveals that the number of people in the US living in extreme poverty, i.e., less than \$2 a day per person, had risen by 2011 to 1.65 million households.

It should also be noted that Reich was a member of the Clinton administration at the time it helped destroy, along with Republicans in Congress, the previously existing welfare system. Various commentators have noted that the obscenely named “Personal Responsibility and Work Opportunity Reconciliation Act,” signed into law by Clinton in August 1996, has been one of the principal causes of the growth of extreme poverty in the US. (See also “Extreme poverty has more than doubled since 1996”)

Reich advocates nationalist policies, where “Americans,” as a classless national entity, have to compete en masse against the populations of foreign countries. “Globalization and technology” led to the deindustrialization of America, we are told. Yet the solution is to return to the conditions of the post-war period. How would that be possible?

American prosperity in the post-war period was possible due to US capitalism’s domination of a world market wherein its competitors had suffered massive physical destruction during the war. He stokes nationalist tensions by calling for investment in educating the populace to “compete with Japan and Germany,” which have, apparently regrettably, been rebuilt. Reich complains about the CEO of General Electric, who sits on Obama’s “jobs council,” not because the latter is a capitalist vulture, but because GE creates too many jobs in foreign countries.

This phony populist, chauvinist line of reasoning, which Reich shares with the AFL-CIO and union hierarchies generally, has sinister implications in a context of rising global tensions. Reich would be one of those urging US workers to line up with their own ruling elite against its rivals in a war to defend “American interests.”

Reich also warns against the mobilization of “politically polarized” masses of people, referring to the Occupy

movement and the Tea Party. He explains that social inequality undermines “democracy” and encourages people to go into the streets to solve their problems themselves. He takes pains to explain that, despite the accusations of his Republican critics, he is not a socialist, at one point looking directly into the camera and remarking, ironically of course, “Let me be clear: I am not, nor have I ever been, a member of the Communist Party.”

Roger Hickney of the *Huffington Post* raves that *Inequality for All* “does for income disparity what [Al Gore’s] *An Inconvenient Truth* did for climate change.” This reviewer would tend to agree ... with all the negative implications that suggests.

In 2006, the WSWS review of *An Inconvenient Truth* noted that the “former vice president and his party attempt to present themselves as oppositional, as concerned about the issues affecting ordinary citizens, while at the same time defending a social system that is ultimately responsible for war, growing inequality, the attack on democratic rights and the devastation of the environment.”

Reich’s pose as an opponent of social inequality, five years into both the Obama administration and the economic crisis that continues to devastate millions, is, if anything, even more absurd than Gore’s stance. Whatever Reich’s dreams, there is no going back in time. The historic decline of American capitalism will only lead to the exacerbation of social inequality and social tensions until workers take matters into their own hands.



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