Inequality and the Erosion of Democracy

Summary:

The Glen Ellyn, Wheaton and Oak Park Chapters of the League of Women Voters held an informational seminar on the relationship between growing economic inequality and the erosion of democracy in America.

Keynote speaker Dr. Robert Bruno from the University of Illinois, provided a foundation for the relationship by highlighting the historical importance of worker rights to building a more equitable economy and expanding participatory democracy. He argued that the primary driver of economic inequality was reduced worker power. Dr. Bruno stressed five measures that accelerated the shift of income and wealth shares away from workers and contributed to the corresponding erosion of democratic governance: the falling unionization rate, shifting structural employment practices, the falling value of the minimum wage, automated (i.e., job displacing) technology and globalization/trade liberalization.

Panelist Frank Manzo, Economist at the Illinois Economic Policy Institute, focused his comments on the various ways that labor unions raise economic conditions for workers and reduce economic inequality. Mr. Manzo also noted that whenever democracy is expanded to more people (e.g., the Suffragist Movement and passing Civil Right laws) in the United States the newly enfranchised groups experience substantial improvements in their economic conditions. Additionally, he pointed out that organized labor increases working class political engagement and raises voter turnout.

Panelist Dr. Maureen Heffern-Ponicki, Chair of the College of DuPage Political Science Department drew on her extensive international research on national governments to stress that the level of economic and social inequality in a country was the leading indicator of a nation's "backsliding" in democratic practice. Dr. Heffern-Ponicki also stressed that preserving and expanding the pillars of democracy requires that citizens share meaningful stories of how inequality damages faith in democratic governance.

Panelist Dr. Andres Guerra Chair of the College of DuPage Economics Department offered a critique of Dr. Bruno's drivers of reduced worker power and suggested that there were two likely policy approaches to reducing inequality. The first was repealing and opposing the passage of state laws that restrict worker rights to organize a labor union (i.e., so-called "Right to Work" laws). His second recommendation was to shift the burden of taxation from people who earn income from their labor to those individuals who accrue wealth by holding capital assets. Dr. Guerra noted how since the 1980s, the country has reduced tax obligations for the wealthiest individuals and corporations, while increasing the tax burden on wage and salary workers.