

***Three Cheers for the 1 Percent!***

**Deroy Murdock**

**Prepared for the  
U.S. Senate Finance Committee**

**April 5, 2015**

Thank you to Manhattan financier Brett A. Shisler for his research and graphic contribution to this presentation.



The news media and popular culture often vilify the very wealthy in general and the top 1 percent in particular.



EXCELLENT!

★ NEWS ★  
1% Recovering  
nicely from  
recession!  
99%-not  
so much!

SigGekz  
APPLIES TO  
MATT GREENING

# Rolling Stone

Issue 1165  
September 13, 2012 >> \$4.99  
rollingstone.com

## GREED & DEBT

The True  
Story of  
Mitt Romney  
& Bain Capital

BY MATT  
TAIBBI



COMEDY 2012

The 23  
Funniest  
People in  
America

PLUS

Ryan  
Lochte

Bob  
Dylan

Taylor  
Swift

The neo-Marxian rhetoric that we often hear these days is reminiscent of the class-struggle arguments that thrived decades ago.

And it comes today from the commanding heights of America's government as well as major entertainers.

Some have taken this thinking and turned it into violence.

# PROLETARIAT

MELBOURNE UNIVERSITY  
LABOR CLUB

OCT 1933

6<sup>D</sup>



P133

“I think when you spread the wealth around, it’s good for everybody.”

October 14, 2008

-Then-candidate Obama





“I do think at a certain point,  
you’ve made enough money.”

April 28, 2010

-Obama



“The debt ceiling should not be something that is used as a gun against the heads of the American people to extract tax breaks for corporate jet owners.”

July 6, 2011

-Obama



“If asking a millionaire to pay the same tax rate as a plumber makes me a class warrior — a warrior for the working class — I will accept that. I will wear that charge as a badge of honor.”

September 27, 2011

-Obama



“If you’ve got a business, you didn't build that.  
Somebody else made that happen.”

July 13, 2012

-Obama



“...when the rich get richer...they say: ‘I am not rich enough. I need to be richer.’ What motivates some of these people is greed and greed and more greed.”

-Senator Bernie Sanders (Socialist – VT)



“Greed is, in my view, like a sickness. It’s like an addiction. We know people on heroin. They can’t stop. They need more and more.”

-Senator Bernie Sanders (Socialist – VT)



“For years, the Koch brothers have epitomized how corporations and the super-rich have tried to systematically destroy our democracy.”

-Richard Trumka, President, AFL-CIO



“They’re sitting on the money...That’s not theirs.  
That’s a national resource. That’s ours.”

-Michael Moore





# “5 Million Ways to Kill a CEO”

“Toss a dollar in the river, and when he jump in

“If you find he can swim

“Put lead boots on him and do it again”

- San Francisco Bay Area rapper Boots Riley



“We are in a moment where [sic] the wealth disparity in this country is very reminiscent of the robber baron ages...The labor leaders of that time, though, were ready to kill. They were. They were just ready. They were like, ‘off with their heads.’...[The rich] think nothing about killing us...They think nothing about putting our people in harm’s way. They think nothing about lethal working conditions.”

Lewis cited the absence of air conditioning in some Chicago schools as proof of her opponents’ murderous ways.

-Karen Lewis, President, Chicago Teachers Union



“I first would allow the guilty bankers the ability to pay back anything over \$100 million personal wealth, because I believe in a maximum wage of \$100 million. And if they are unable to live on that amount, then they should go to the re-education camps, and if that doesn't help then be beheaded.”

-Rosanne Barr  
October 2, 2011



EVERY TIME  
A BANK FAILS  
AN ANGEL GETS  
ITS WINGS!



**EAT THE RICH**

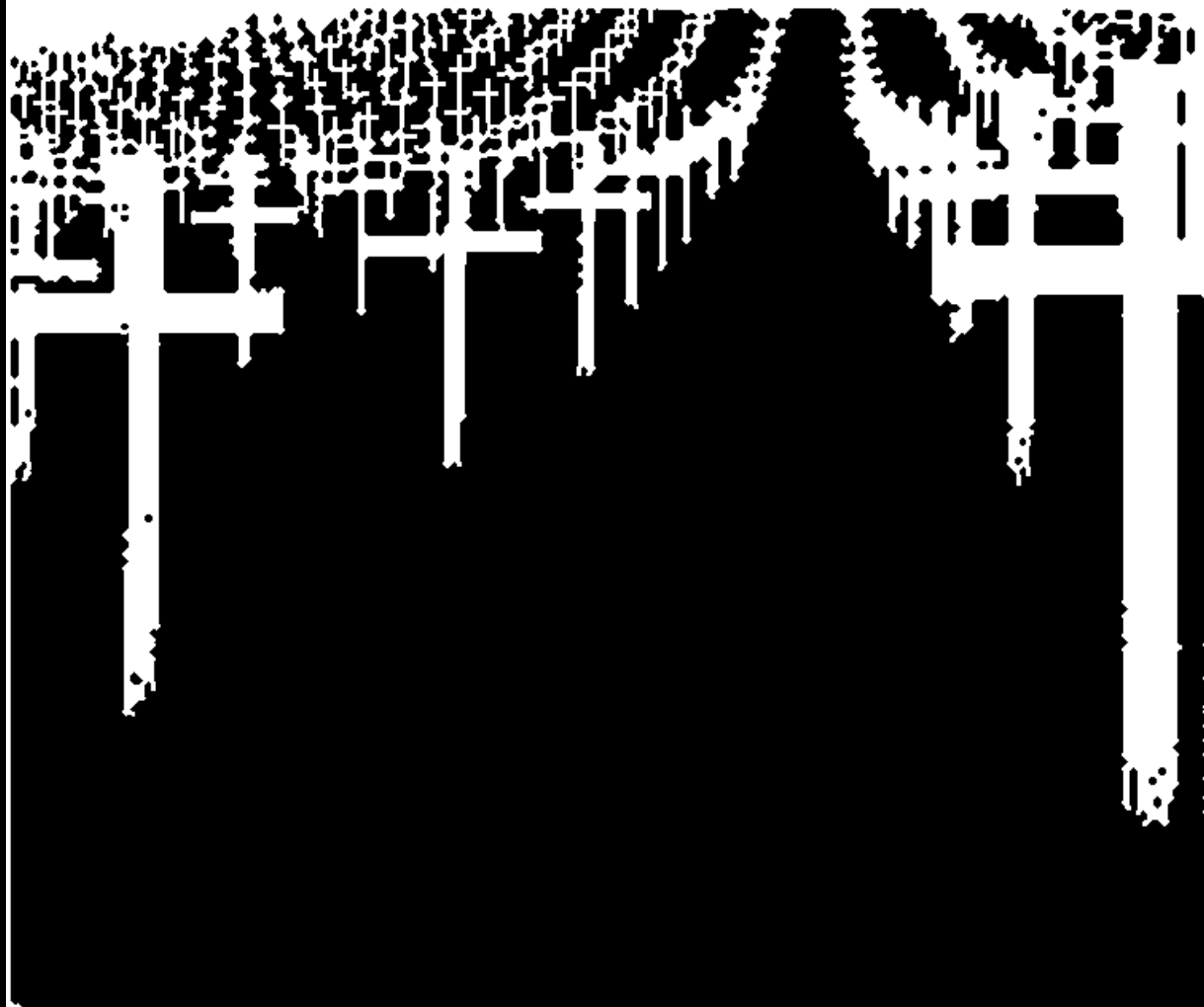
**The Other Other White Meat**

PEACEPRODUCTS.ORG

**KILL & EAT  
THE RICH**



# CLASS WAR



**WE HAVE FOUND NEW  
HOMES FOR THE RICH**

Burn the rich  
the condos







November 24, 2010: An arsonist burned a \$500,000 home still under construction at 16 Boulder Brook Road in Sandwich, MA.

“The following week, on Dec. 2, incendiary devices were found at 43 Trotters Lane in Marstons Mills, [Massachusetts] law enforcement officials said.

“At Trotters Lane, the message ‘F--- the rich,’ was spray painted clearly on a fence on the property, Barnstable police Det. John York said.

“York said a similar message had been found at the Sandwich property.”

*-Cape Cod Times, December 12, 2010*



GUNMAN

## Rambling gunman dead after opening fire at Florida school meeting

December 14, 2010 | By Vivian Kuo and Phil Gast, CNN

[Share](#)
[Mixx](#)
[Twitter](#)
[Email](#)
[Recommend](#)

16295 recommendations. [Sign Up](#) to see what your friends recommend.

Clay Duke sat quietly through the first portion of the Bay District Schools, Florida, school board meeting Tuesday afternoon as local children were honored for their achievements.

When it came time for citizens to bring up issues, the 56-year-old resident calmly approached the front.

He spray painted a red "V" with a circle around it on the wall, brandished a small-caliber handgun and ordered the room cleared at a Panama City schools building.

"Six men stay. Everyone else leave," the burly gunman said.



The man fired at the superintendent and "very deliberately pointed the gun at other board members," an official says.

Y DISTRICT  
SCHOOLS



“I was just born poor in a country where the Wealthy manipulate, use, abuse, and economically enslave 95% of the population...Our Masters, the Wealthy, do as they like to us.”

-Clay Duke, December 14, 2010





# 5 arrested in alleged plot to blow up Cleveland-area bridge

By **David Ariosto**, CNN

updated 3:38 PM EDT, Tue May 1, 2012



FBI photos show Brandon Baxter, top from left, Anthony Hayne, Connor Stevens; bottom, Joshua Stafford and Douglas Wright.

# Beltway Confidential



## Mayday: Occupiers plotted to bomb Ohio bridges

May 1, 2012  
1:32pm  
2 Comments

by *Joel Gehrke* Commentary Staff Writer

These anarchists, three of them employees of Occupy Cleveland, wanted “to make sure everyone knows that the action was against corporate America and the financial system, and not just some random acts.”

-Affidavit of FBI Special Agent Ryan Taylor — April 30, 2012



New York state lawmakers received threatening mail saying it was “time to kill the wealthy” if they did not renew the state’s tax surcharge on millionaires.

The death threat continued:

“If you don’t, I’m going to pay a visit with my carbine to one of those tech companies you are so proud of and shoot every spoiled Ivy League [expletive] I can find.”

Source: Michelle Malkin, “Standing Up Against Wealth Shaming” [NationalReview.com](http://NationalReview.com) - January 29, 2014

Meanwhile, Rep. James Clyburn sees things precisely upside down.

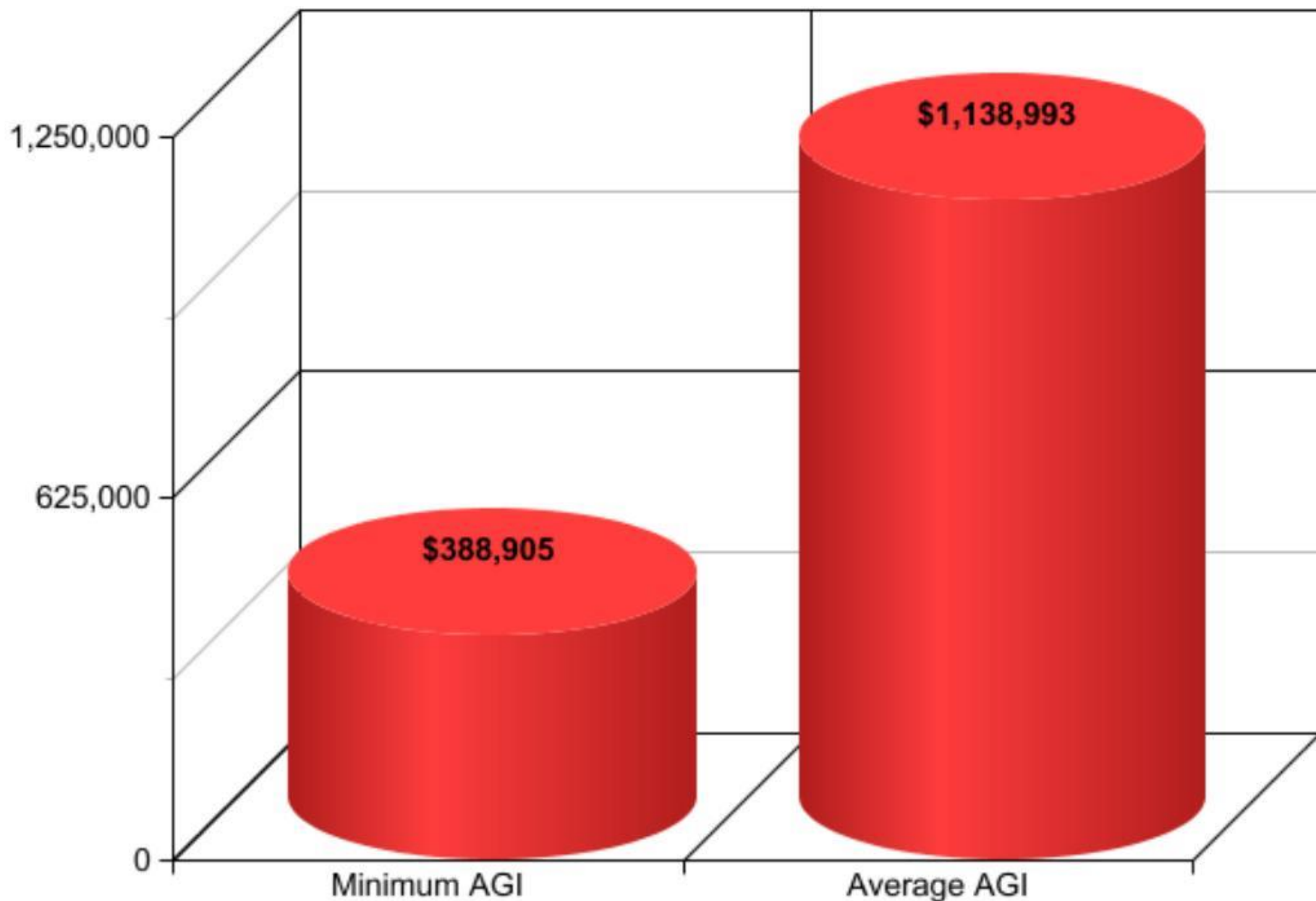
The top 1 percent pays more than its fair share of income taxes while the bottom 50 percent of tax filers pays less than its fair share.

“...98 percent of the American people are carrying this [tax] load while the other 2 percent seem to be getting away scot-free, and that’s not fair.”

-Rep. James Clyburn (D – South Carolina)  
July 25, 2011

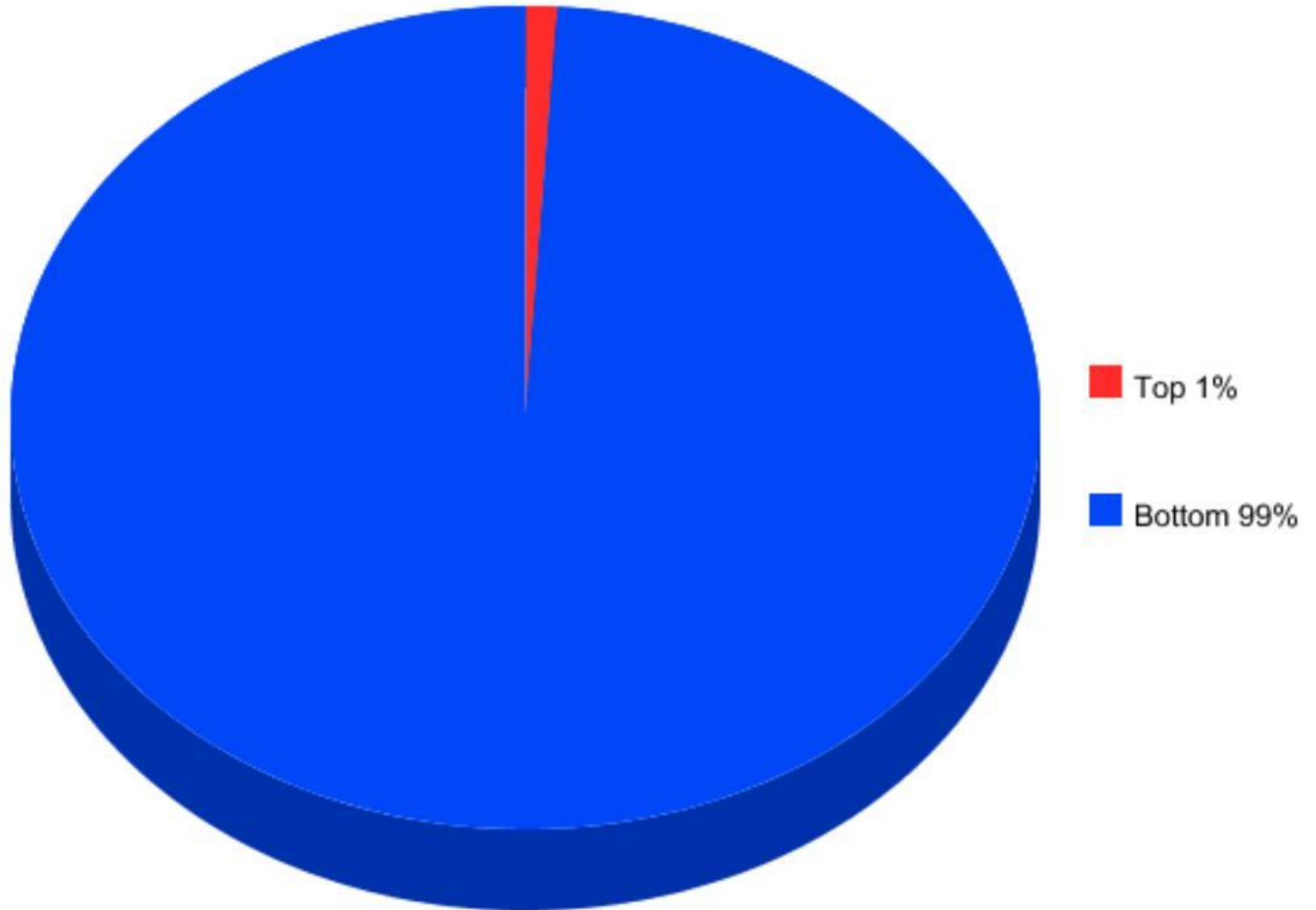


# The Top 1% - 2011



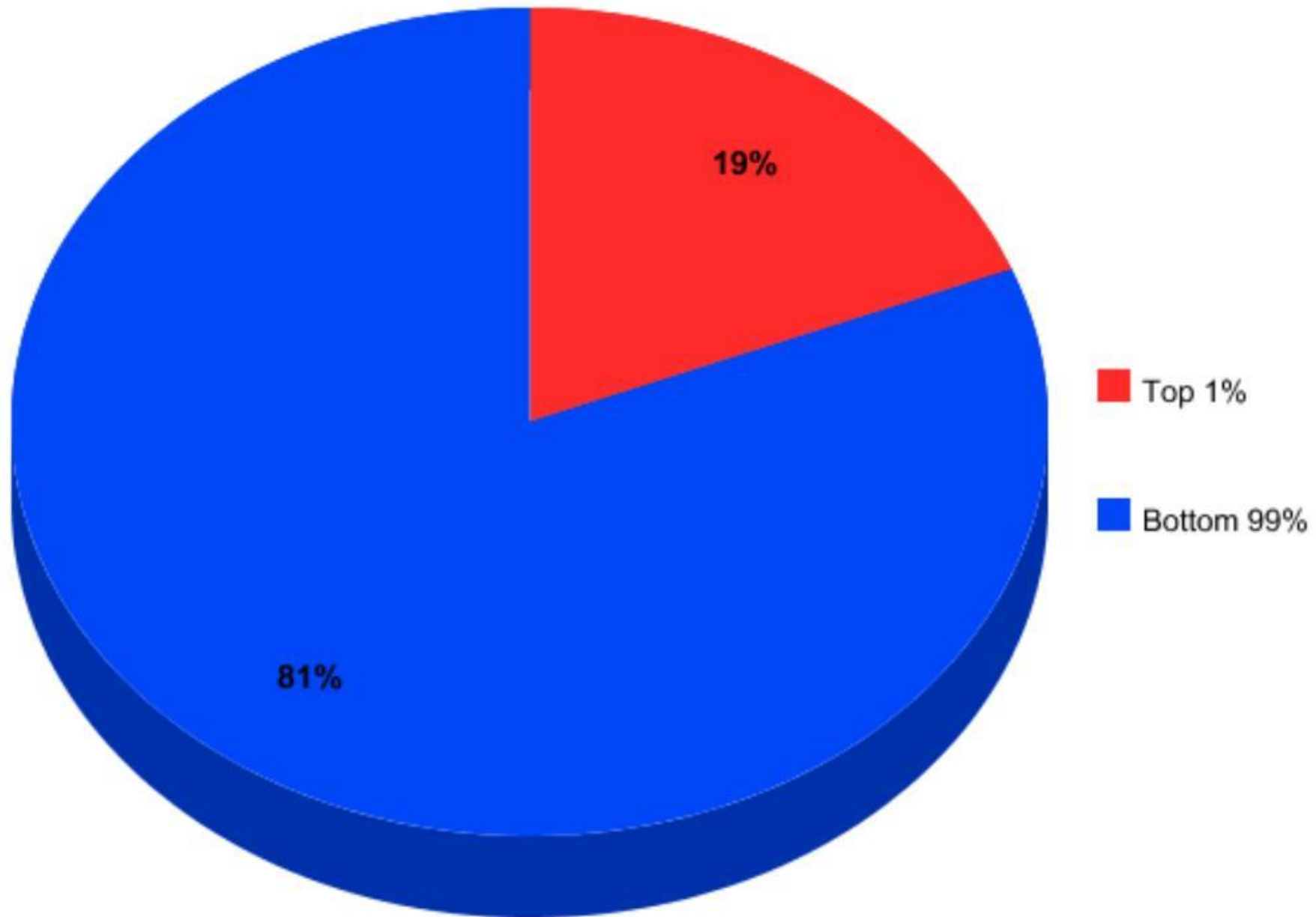
Sources: IRS; The Tax Foundation

# The Top 1% - 2011



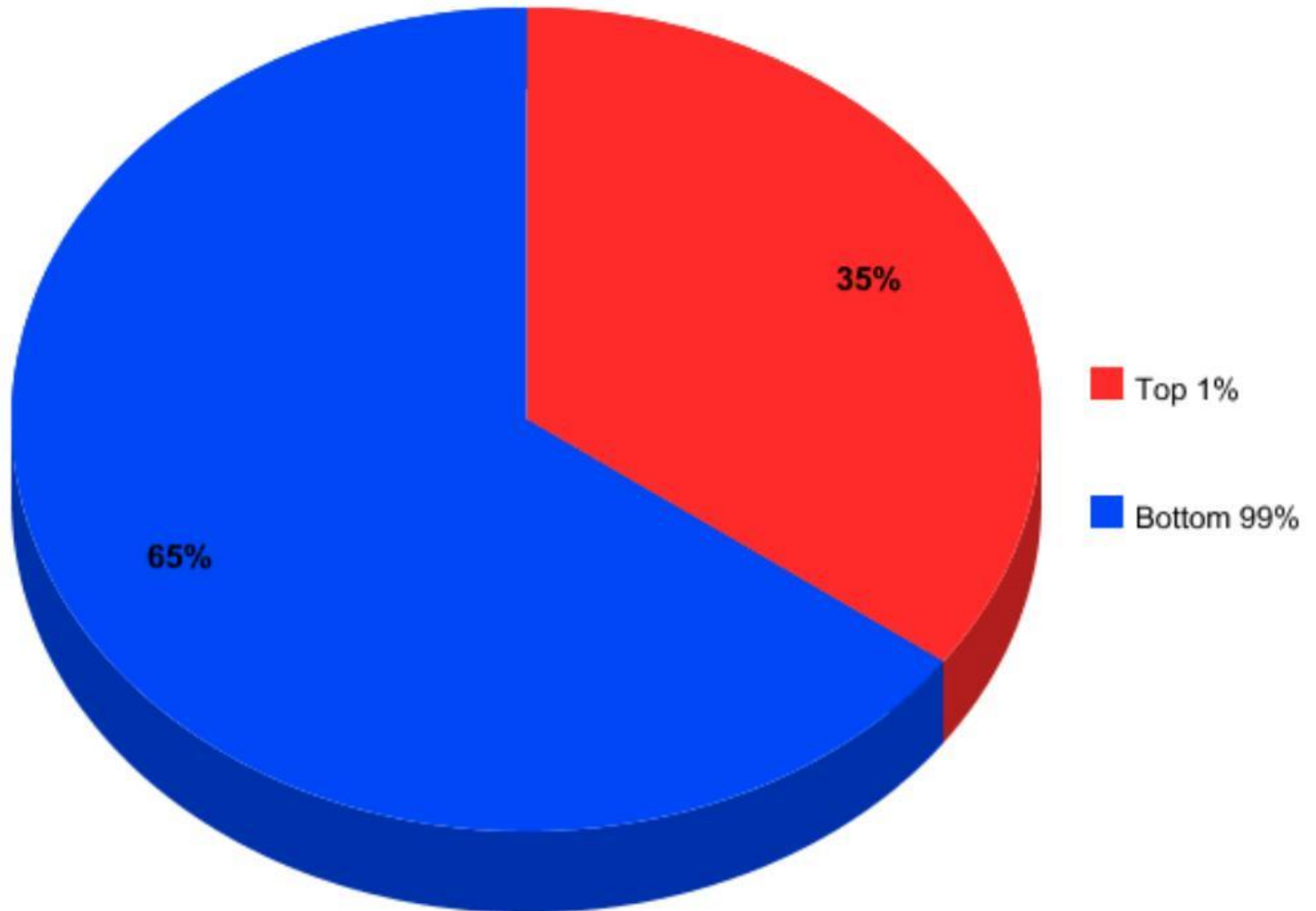
Source: IRS

Share of National Income (AGI) for the Top 1% - 2011



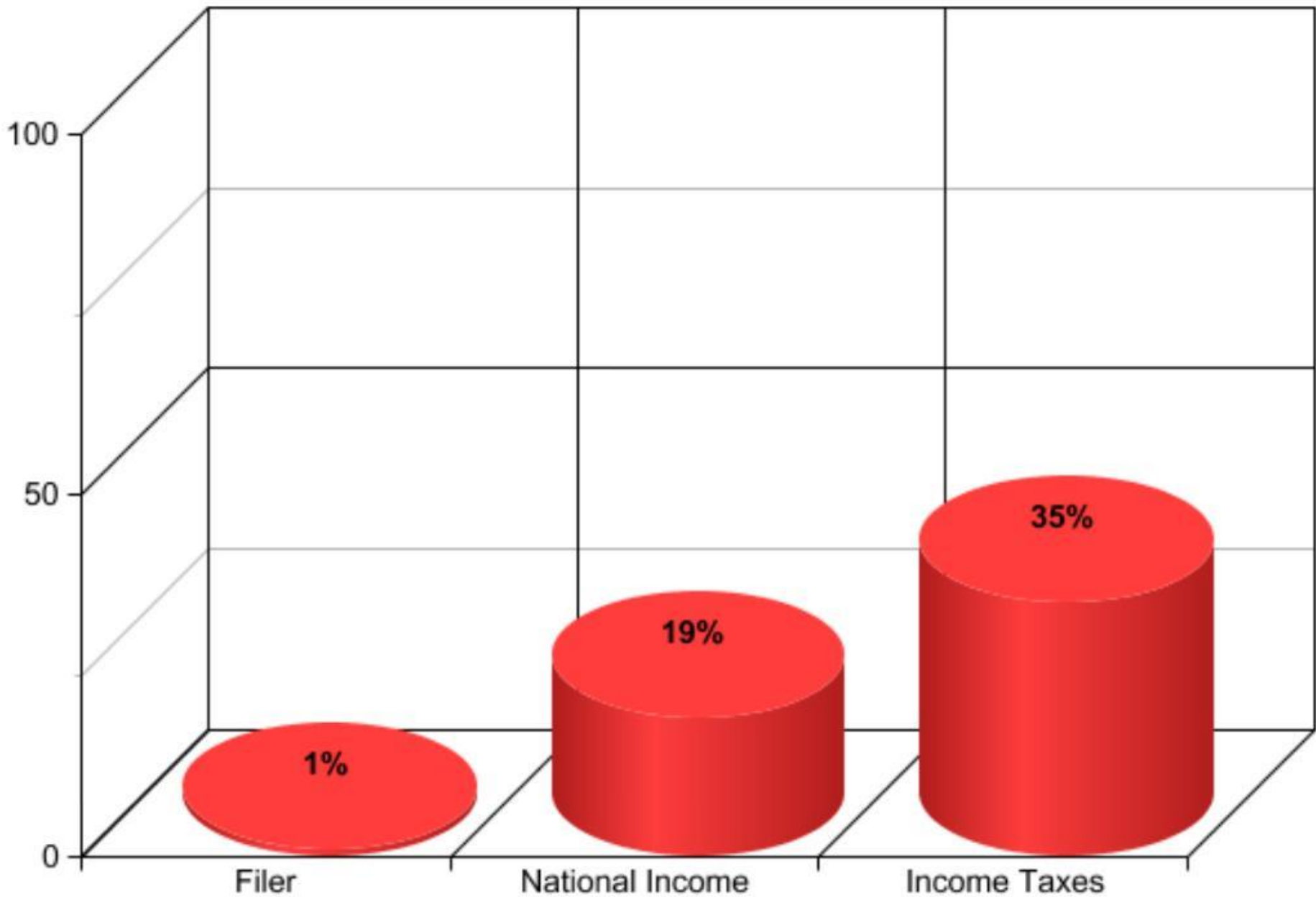
Source: IRS

# Share of Total Income Tax for the Top 1% - 2011



Source: IRS

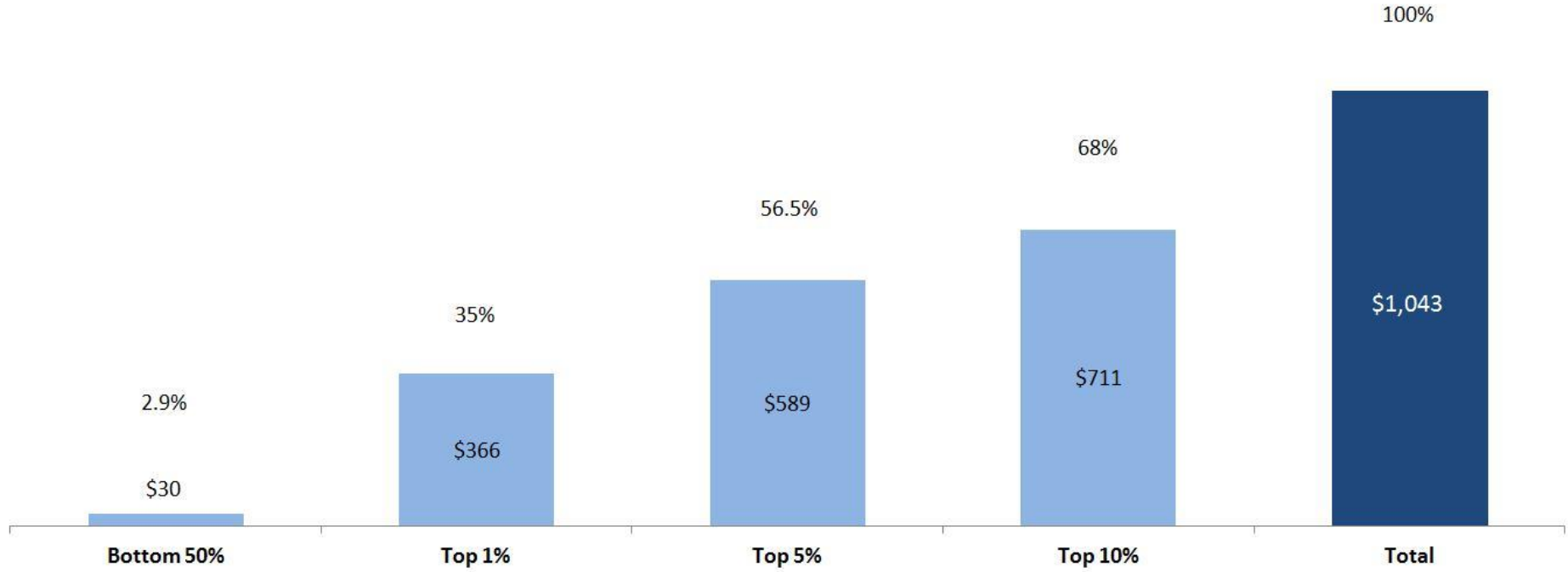
So, the The Top 1% did not pay their "fair share" in 2011?



Source: IRS



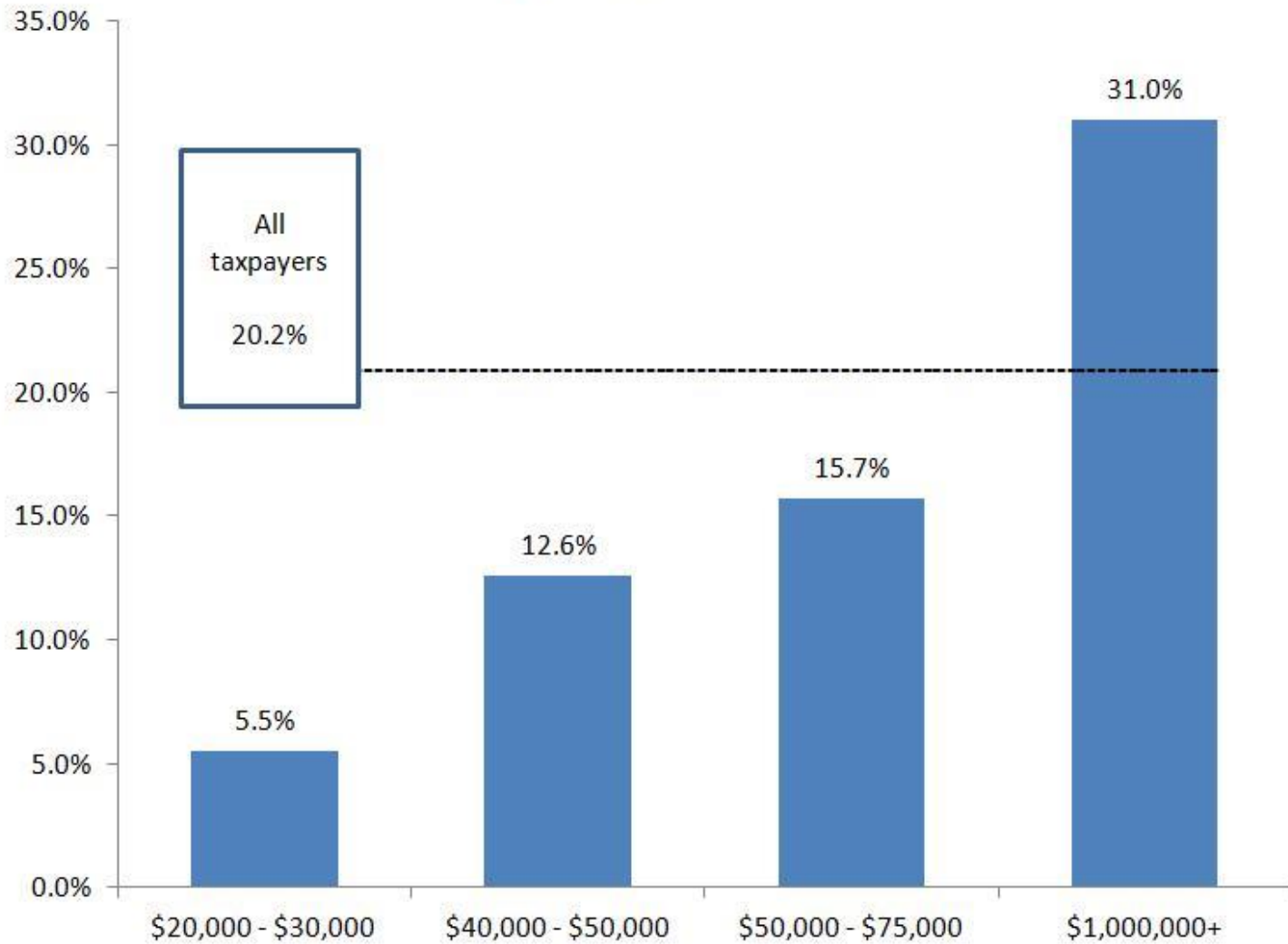
# 2011 Income Tax Revenue (*\$ in Billions*)



Source: IRS, January 2014

Chart: Brett A. Shisler and Deroy Murdock

## 2012 Effective Rates on Combined Federal Income, Payroll, Corporate, and Death Taxes

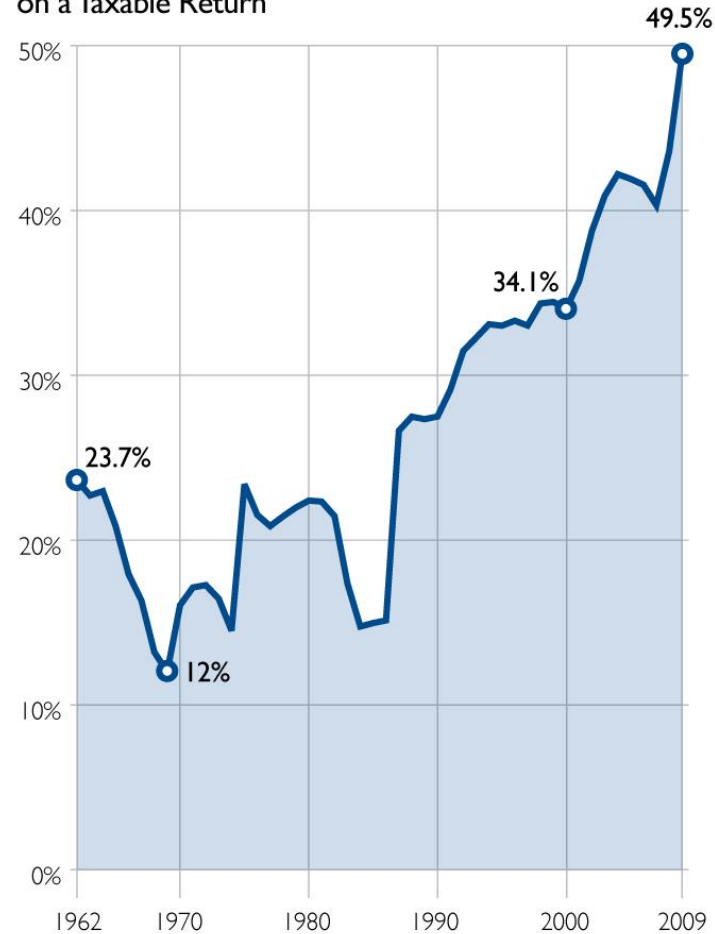


Source: Urban Institute and Brookings Institution's Tax Policy Center, September 13, 2012

Chart: Brett A. Shisler and Deroy Murdock

# Nearly Half of All Americans Don't Pay Income Taxes

Percentage of U.S. Population Not Represented on a Taxable Return



**Note:** Figures for 1977 to 1982 were extrapolated due to unavailable data.

**Source:** Heritage Foundation calculations based on data from the Internal Revenue Service, "Individual Income Tax Returns," Publication 1304, 1962–2009, Table 1.4, and various IRS reports.



I WON'T ALLOW  
THE HALF OF  
AMERICANS  
WHO PAY NO  
TAXES TO BEAR  
THE BURDEN  
OF THE OTHER  
HALF WHO AREN'T  
PAYING THEIR  
FAIR SHARE.

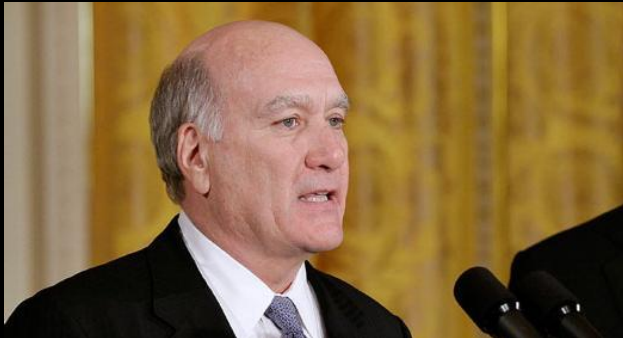


## Faces of “The 1%”

(1% = Annual household income of \$388,905+)



**Former Chief of Staff Jack Lew**  
Citigroup  
Annual income: \$1.1 million.



**Former Chief of Staff William Daley**  
JP Morgan Chase  
Annual income: \$8.7 million



**Former Chief of Staff Rahm Emanuel**  
Wasserstein Perella & Co.  
Biennial income: \$16.2 million

“These people who are worth hundreds of millions of dollars...Maybe they’ve got to go back to the Bible or whatever they believe in understanding that there is virtue in sharing, in reaching out, that you can’t get it all.”  
-Sen. Bernie Sanders (Socialist – Vermont)



Senator Sanders is wrong.

*As the 2014 U.S. Trust Study of High Net Worth Philanthropy demonstrates, America's wealthy are far more generous with their money and time than are those with average incomes.*

# THE 2014 U.S. TRUST® STUDY OF HIGH NET WORTH PHILANTHROPY

Issues driving charitable activities among wealthy households

OCTOBER 2014





A collaboration between

## **U.S. Trust and the Lilly Family School of Philanthropy**

---

This study is a continuation of the 2006, 2008, 2010 and 2012  
*Bank of America Study of High Net Worth Philanthropy* research series.



**LILLY FAMILY  
SCHOOL OF PHILANTHROPY**

---

INDIANA UNIVERSITY  
Indianapolis

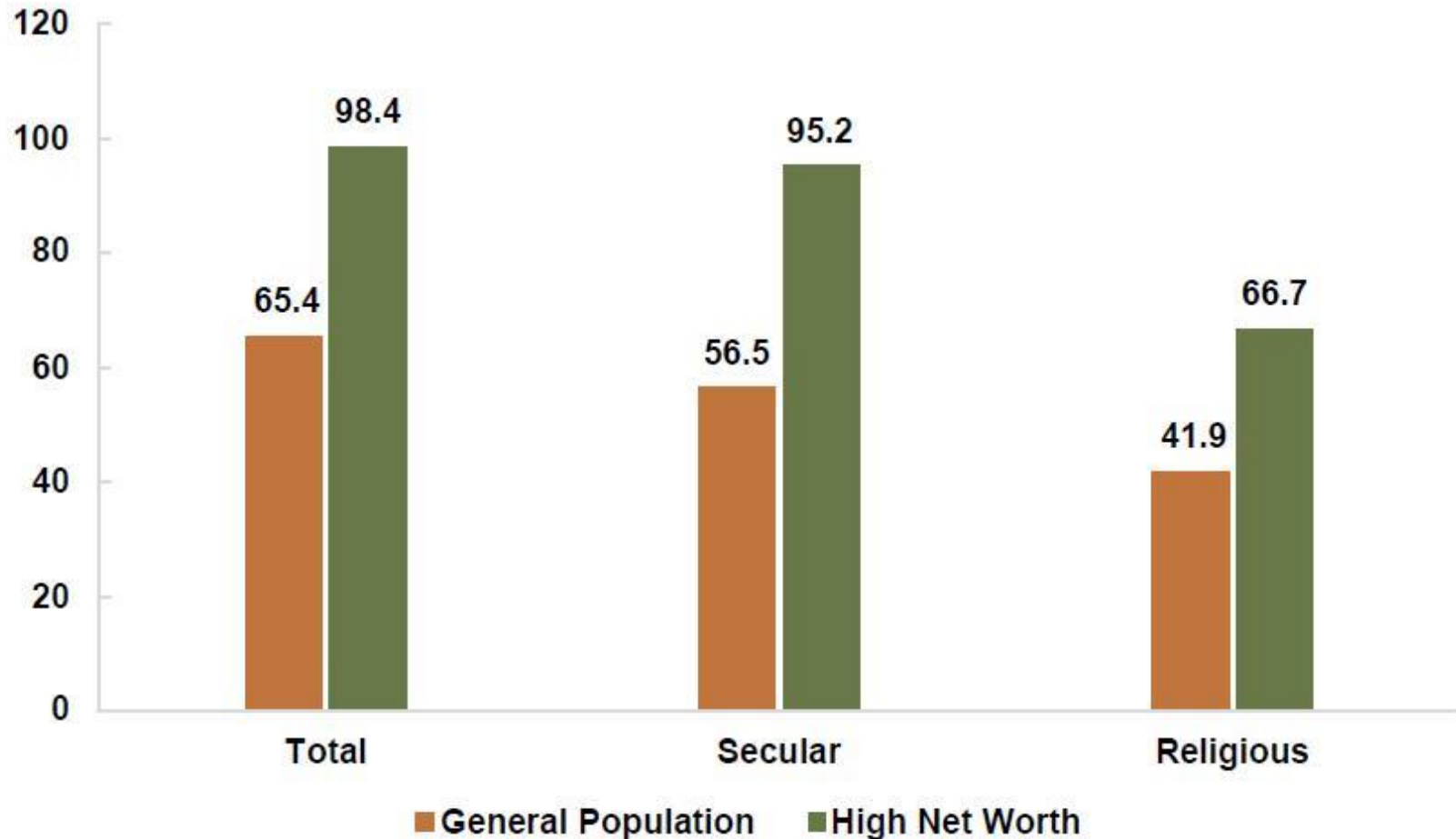
## Who are these wealthy individuals?

“Results are based on a nationwide sample of 632 U.S. households with a net worth of \$1 million or more (excluding the value of their primary home) and/or an annual household income of \$200,000 or more.”

Average net worth of households surveyed: **\$14.9 million.**

**FIGURE 2: HIGH NET WORTH HOUSEHOLDS REPORTING GIVING TO CHARITY IN 2013, COMPARED WITH THE PERCENTAGE OF THE U.S. GENERAL POPULATION REPORTING ON GIVING FOR 2008 (%)**

*“In 2013, did you or your household make a donation to any of these causes? Please include personal gifts and gifts from your family foundation, donor-advised fund, trust or other charitable giving vehicle.”*



**FIGURE 3: HIGH NET WORTH HOUSEHOLDS REPORTING GIVING TO CHARITABLE CATEGORIES IN 2013 (%)**

*“In 2013, did you or your household make a donation to any of these causes? Please include personal gifts and gifts from your family foundation, donor-advised fund, trust or other charitable giving vehicle.”*

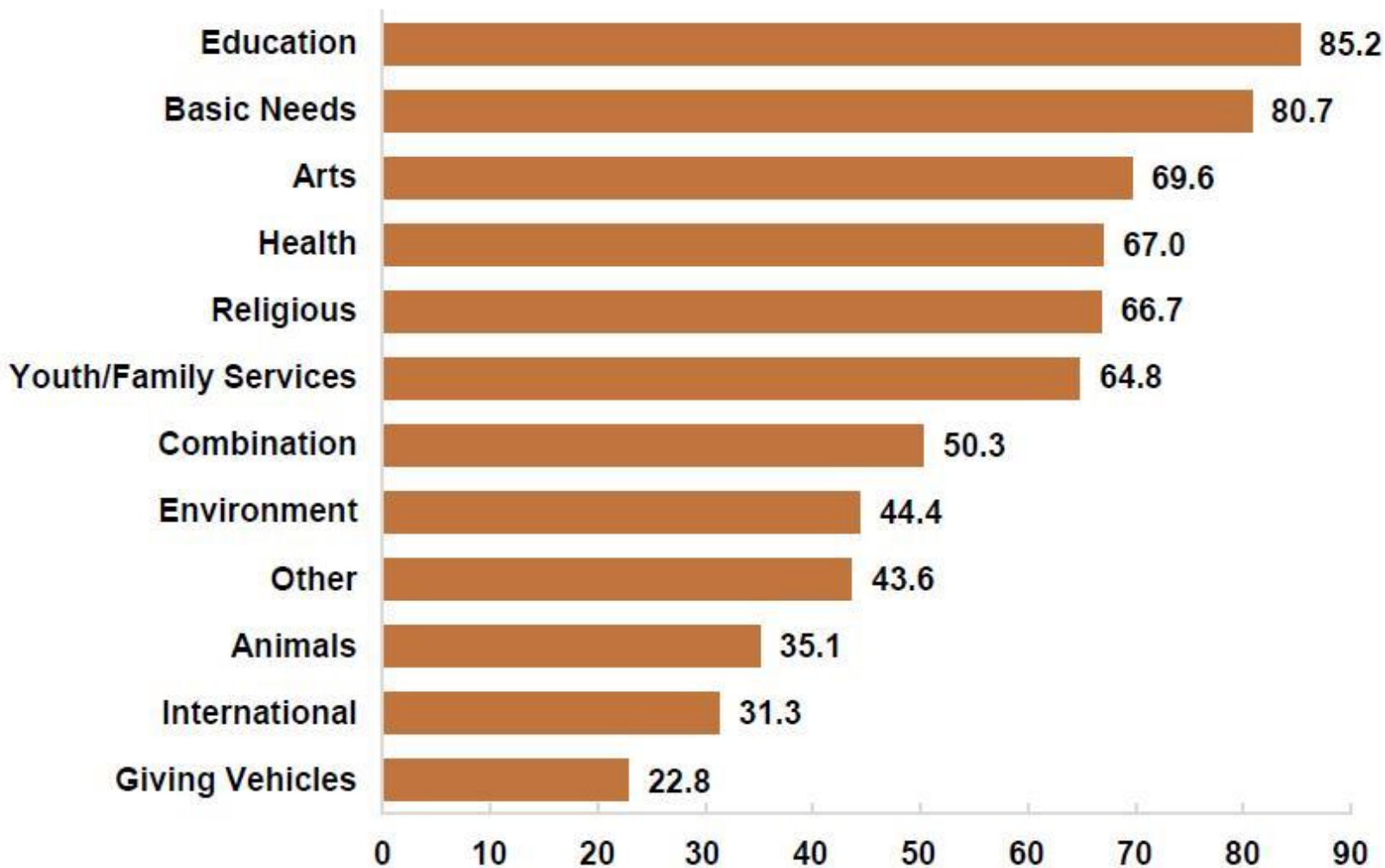
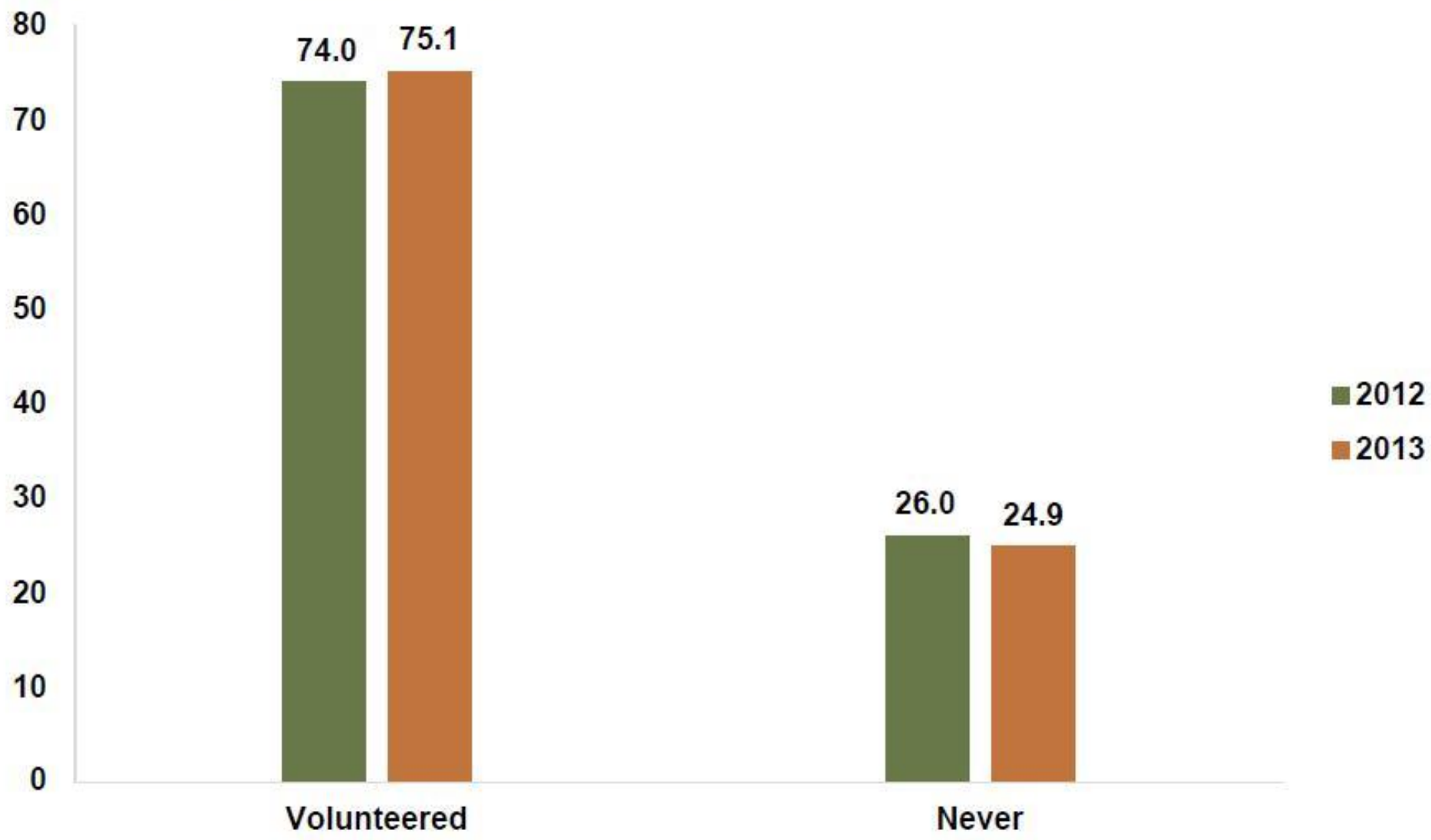


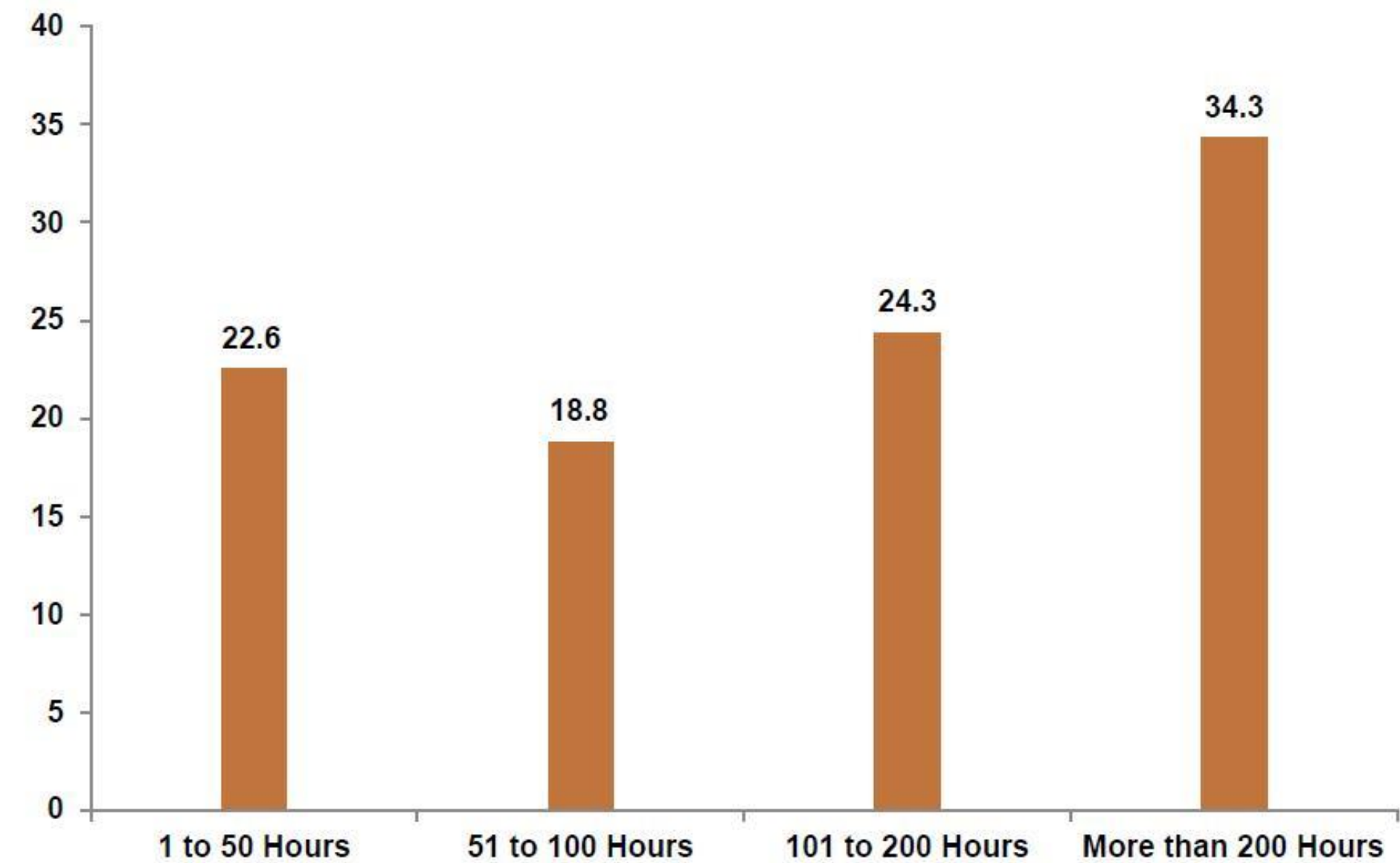
FIGURE 23: HIGH NET WORTH INDIVIDUAL VOLUNTEERING IN 2012 and 2013 (%)

*“Did you volunteer in 2012 and 2013?”*



**FIGURE 25: DISTRIBUTION OF HOURS VOLUNTEERED BY HIGH NET WORTH INDIVIDUALS IN 2013 (%)**

*"In 2013, how many hours did you spend volunteering?"*



A few examples of very generous Americans include Home Depot co-founder Ken Langone.

He donated \$200 million to New York University's Medical Center, asking only that they re-name it the NYU Langone Medical Center.



**EXCLUSIVE**

**KEN LANGONE**  
**HOME DEPOT CO-FOUNDER**

**Your World**  
**CAVUTO**





JOAN AND JOEL SPILLOW RESEARCH CENTER

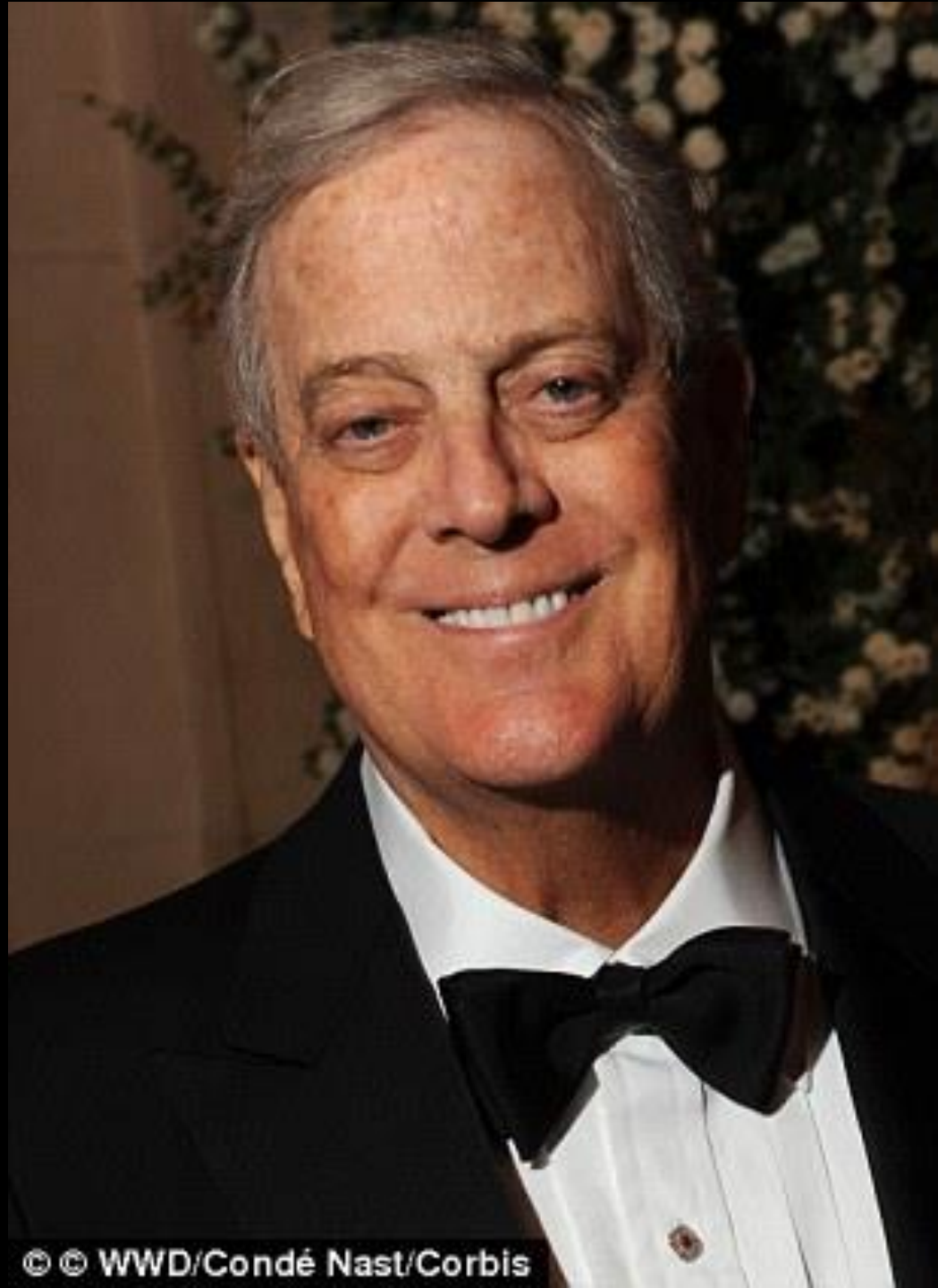


JOAN AND JOEL SPILLOW RESEARCH CENTER



Philanthropist David Koch donated \$100 million to renovate the former New York State Theater at Manhattan's Lincoln Center for the Performing Arts.

It is known today as the David H. Koch Theater.



© © WWD/Condé Nast/Corbis



Such tremendous gifts echo earlier bequests such as Andrew Carnegie's Carnegie Hall and Andrew Mellon's donation of much of what launched the National Gallery of Art in Washington, D.C.











“The giver of this building has matched the richness of its gift with the modesty of his spirit, stipulating that the gallery shall be known not by his name, but by the nation’s.”  
-Franklin Delano Roosevelt

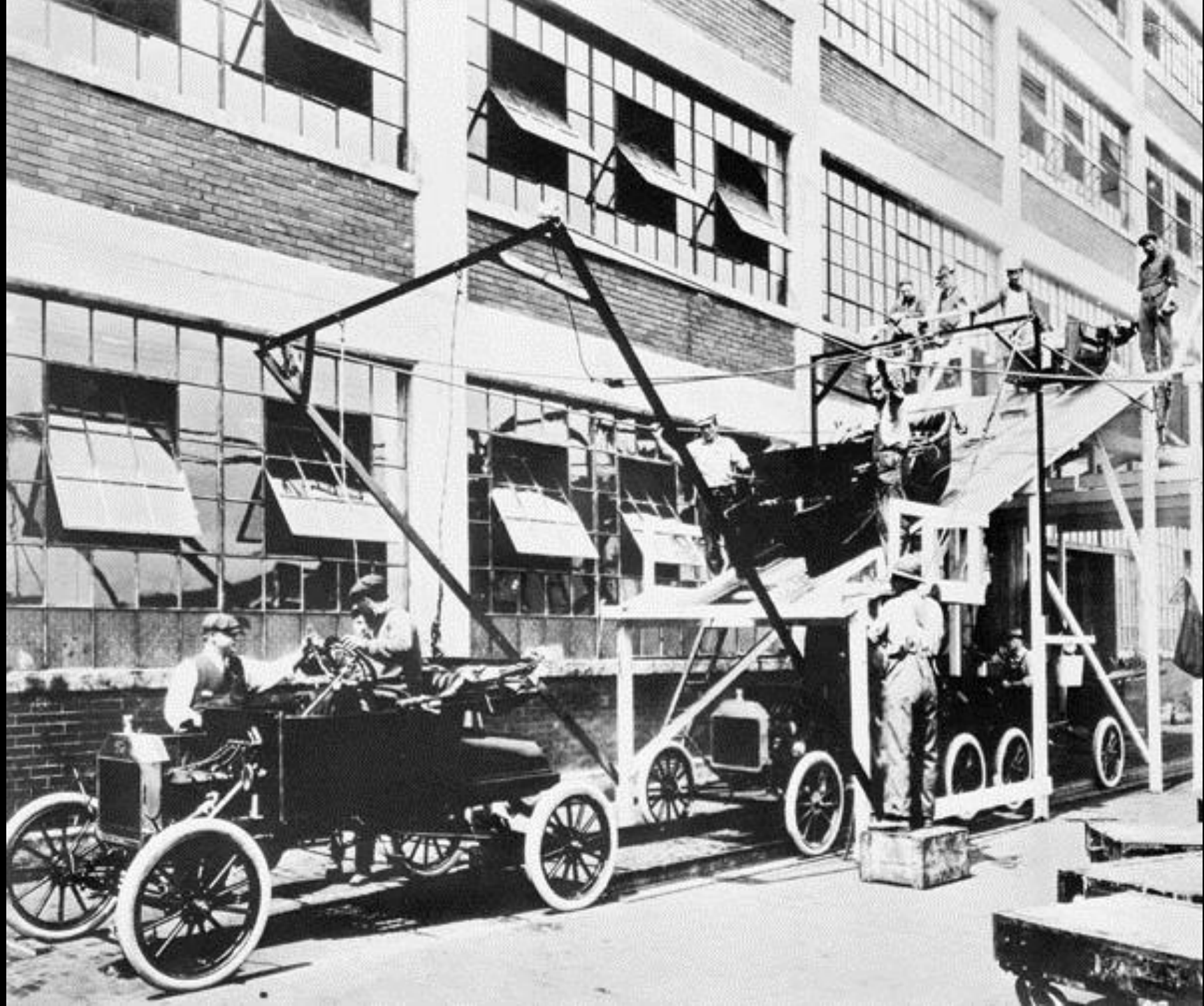


While he was not exactly Mr. Warmth, Henry Ford proved that even someone with a well-developed dark side, could create tremendous good (physical mobility, the invention of the assembly line, and tens of thousands of jobs) while driven by little more than the profit motive.

Ford and his family then opened the Ford Foundation which, ironically, has become the Fort Knox of the American Left.

















1936

## *Founded*

The Ford Foundation is chartered in Michigan with an initial gift of \$25,000 by Edsel Ford, left, whose father Henry founded the Ford Motor Company. Edsel's initial gift is designated to be used "all for the public welfare."



1958

## *Lincoln Center*

The foundation commits \$25 million to build and operate Lincoln Center. The landmark performing arts institution was one of the first in the United States to bring together venues for all of the major performing arts and is now home to 12 independent and autonomous resident companies.



1968

## *Fighting Discrimination*

Ford supports the founding of new civil rights groups, including the Mexican American Legal Defense and Educational Fund, the National Council of La Raza, the Native American Rights Fund, the Puerto Rican Legal Defense and Education Fund and the Legal Action Center. Ford also funds the Voter Education Project to support minority voters' rights and increase voter registration in the South. In 1992, Ford helps create the Asian American Justice Center.



1982

## *Gender Equity*

Ford funds the National Council for Research on Women, which brings together 28 academic centers to evaluate the roles and contributions of women and to offer policy recommendations for gender equity in the United States.



1983

## *Public Radio*

Following decades of support for public television, Ford funds the strengthening of National Public Radio to distribute music, drama and public affairs programming to 283 public radio stations across the country.



2010

## Tackling HIV/AIDS in the U.S.

Building on its history, Ford initiates a \$25 million effort to fight the disproportionate yet largely hidden impact of HIV/AIDS on marginalized communities in the United States—targeting the District of Columbia and nine states in the South that rank among the highest in new AIDS cases.

# TOTAL GRANT MAKING 2012

■ \$178,119,792

■ \$139,250,290

■ \$143,789,054

■ \$29,500,000

■ \$35,236,735



---

**\$525,895,871**

“The [Ford] Foundation exists and thrives on the fruits of our economic system. The dividends of competitive enterprise make it all possible.”

“A significant portion of the abundance created by United States business enables the Foundation and like institutions to carry on their work.

“In effect, the Foundation is a creature of capitalism — a statement that I am sure would be shocking to many professional staff people in the field of philanthropy.”

-Henry Ford II – January 11, 1977





# DOWN WITH EVIL CORPORATIONS!

- VIDEO CAMERA BY PANASONIC
- CAMERA BY SONY
- CELL PHONE BY SAMSUNG
- HAT BY J. CREW
- BLACK MARKER BY SHARPIE
- ORANGE DYE BY DOW/CORNING
- POSTERBOARD BY WEYERHAEUSER
- CAMERA BY NIKON
- MAKEUP BY PROCTER & GAMBLE
- BAG BY EDDIE BAUER
- SHIRT BY GAP
- ALUMINUM & BAUXITE BY ALCOA
- CAMERAS BY CANON
- DYE BY CLAIROL
- RAZORS BY GILLETTE
- CARDBOARD BOX BY KIMBERLY-CLARK

JOIN US AS WE ORGANIZE AGAINST CORPORATIONS, USING SOCIAL NETWORKING (BY CORPORATIONS), SMARTPHONES (BY CORPORATIONS) SERVICED BY WIRELESS CARRIERS (THAT ARE CORPORATIONS), WEARING CLOTHES (MADE BY CORPORATIONS), CAPTURING IT ALL WITH CAMERAS (MADE BY CORPORATIONS), AND GETTING THERE VIA CARS, BUSES, BICYCLES, AND SHOES (MADE BY CORPORATIONS). WE DESERVE MORE FROM THESE GREEDY CORPORATIONS. JOIN US AFTERWARDS AT STARBUCKS!

The Left's fetishistic quest for economic equality is as foolish as cutting a tall man's legs off and nailing them to a short man's feet so that they both will stand as high as an average man stuck between them.

Short of the blunt-instrument trauma of totalitarianism, people will wind up unequal, no matter what.

The goal should be to create the most promising conditions for all men and women to reach the greatest heights they can, without besmirching those who lawfully rise as high as their talents and energies take them.



“The gap continues to grow wider between those who enjoy great wealth and those who struggle to get by with little thought of ever getting ahead.”

-Rep. James Clyburn (D – South Carolina)  
August 11, 2011



“Instead of believing that a rising tide lifts all boats...”



...class warriors “act as if they want to drain the lake so all the boats are equally grounded.”

-Michael Goodwin, *New York Post*, January 15, 2012



“Which European country recorded the biggest decrease in inequality between 1985 and 2008?”

-Charles Lane, *Washington Post*, December 19, 2011

“Which European country recorded the biggest decrease in inequality between 1985 and 2008? That would be Greece.”

-Charles Lane, *Washington Post*, December 19, 2011





The following thought experiment exposes the utter folly of the Left's obsession with income gaps.

Consider Job Offer A: You make \$50,000, and your boss makes \$55,000. Income inequality equals 10 percent.

Job Offer B: You make \$500,000, and your boss makes \$1 million. Income inequality equals 100 percent.

Obviously, Job Offer B is the better deal, despite the higher income inequality.

Thus, public policy should aim to lift low incomes, not narrow meaningless income gaps.

# Job Offer A

50,000



55,000



You

(Inequality = 10 percent)

Your Boss

# Job Offer B

1,000,000

500,000



You

(Inequality = 100 percent)

Your Boss

# Job Offer B

1,000,000

500,000

## Job Offer A

50,000

55,000



You ( $\neq$  10 percent) Boss

You

(Inequality = 100 percent)

Boss

“The inherent vice of capitalism is the unequal sharing of blessings; the inherent virtue of socialism is the equal sharing of miseries.”

- Winston Churchill



For a vivid illustration of the ideas in this presentation, consider the Korean Peninsula by day and by night, as seen from outer space.

After dark, South Korea glistens with light and excitement, despite the fact that those in small homes live quite unequally from those in penthouses and mansions.

Meanwhile, North Koreans endure a state of income equality.

Unfortunately, it is an equality in which they have virtually no income and virtually no light after dusk, save for their Dear Leader, Kim Jong Un, and those in his palace in Pyongyang.



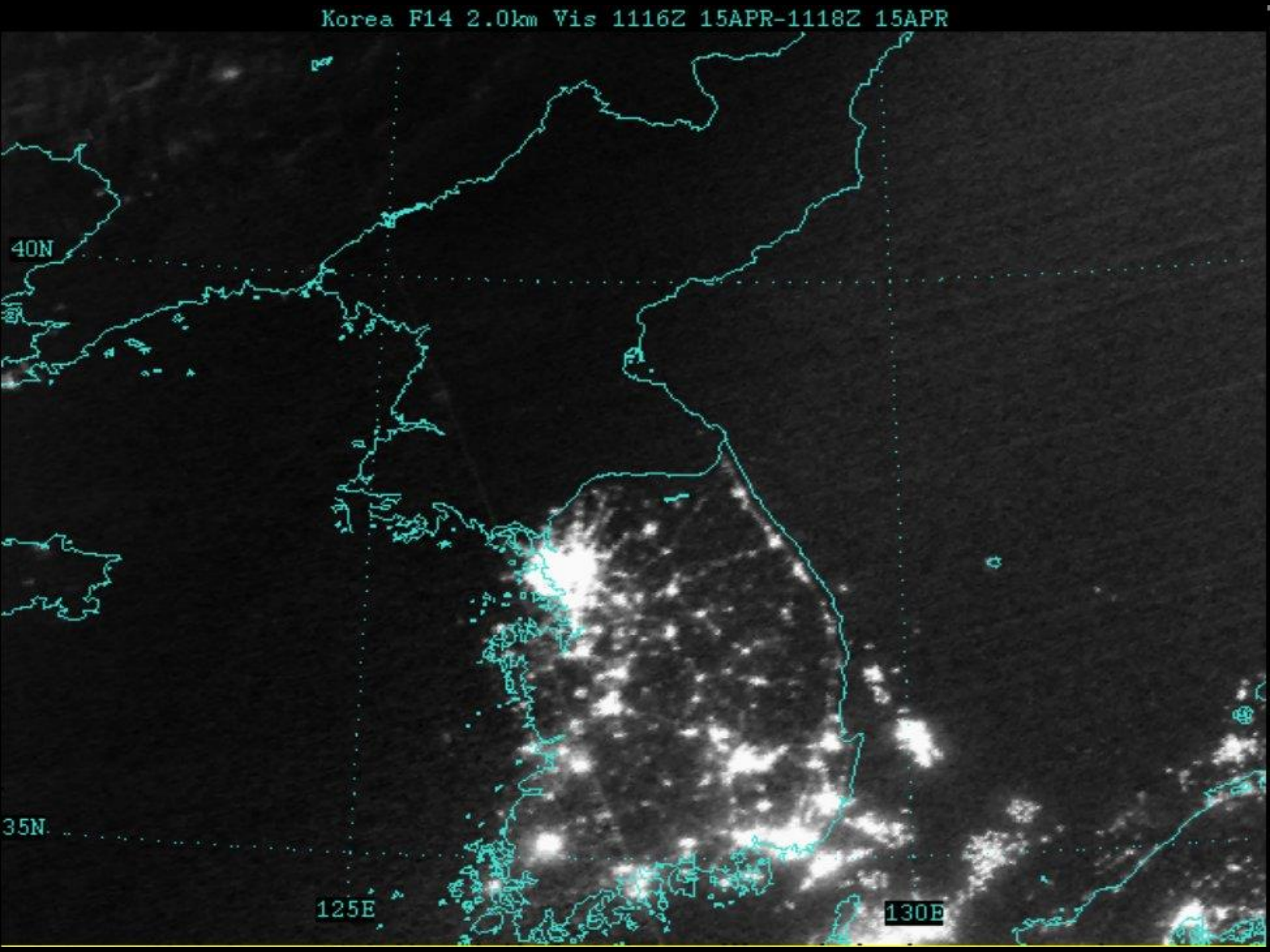
Korea F14 2.0km Vis 1116Z 15APR-1118Z 15APR

40N

35N

125E

130E

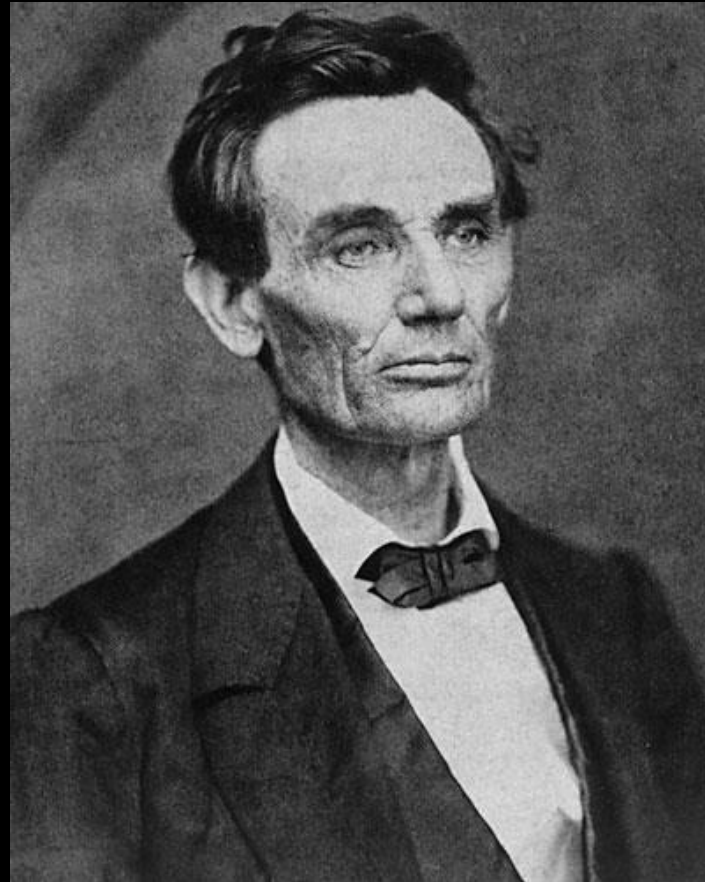




“You cannot strengthen the weak by weakening the strong.

“You cannot help the poor man by destroying the rich.

“You cannot further the brotherhood of man by inciting class hatred.”



-President Abraham Lincoln\*



Deroy Murdock  
tiradesRus@hotmail.com  
212-995-1538