News Analysis

[Name of the Writer]

[Name of the Institution]

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Hackman, Michelle. (2019). Wall Street Journal (Online); New York, N.Y. *Democratic Presidential Hopefuls Amplify*, 1.

In the respective news article, the author Michelle Hackman discussed the decision making policies followed by the democrats for reducing income inequality. To get a victory in the 2020 presidential elections, democratics need to develop a redistribution of wealth to the middle class and lower class families. The common policies on which most of the democrats depend include the increase in wealth taxes or increase in the spending of different programs which can help the low-income families. These programs include healthcare programs, educational programs, and housing programs. A politician, Sen. Cory Booker of New Jersey, thought about providing a program through which he wanted to provide one thousand dollars to newborns through an interest-bearing savings account. Sen. Kamala Harris of California wants to pay the cost of living for the families who ears 100,000 dollars while both politicians support direct payment for the household those earn more than thirty percent of income on rent.

Promoters follow these ideas by the placing an argument that the increase in wealth inequality can be control more effectively by providing choice to the household. The choice over the spending of money is better than providing them money through a specific program of benefits. A researcher Elaine Maag explains that "People often know how best to solve their problems." The Critics on the programs is made by arguing that direct payment to the household can discourage people to work. The author provides the policies followed by both parties was the policy of an increase in earned income tax credit, presented by the Obama administration. Different democrats proposing different policies to solve the issue but the author ends the news article with the explanation that programs to control inequality of weight would needed to be compared with other pricey priorities. In 2017, tax law was passed by the Republican that cut the taxes but 1.5 trillion dollars over the decades. In response, Democrats have been developing a measure to provide other solutions through which money could be spent. Therefore, it can be concluded that Democrats want to lower the inequality of wealth, they have ideas, but they have priorities as well — priorities in terms of a field where they want to spend political capital and money both.

I have chosen this article as I found it relevant to my course. An important economic factor that is wealth inequality is discussed in the news article. Global capitalism focuses on the development and monetizing of all the given resources and cheap labor. Inequality of wealth is a severe problem for the country. It can cause low economic growth in the long term. Inequality of wealth also increases poverty. It decreases health, education, and opportunities for low-income people. Politicians make policies to control the inequality of wealth. The article provided some of the ideas of democratic and its critics as well. The administration often promotes programs which help in maintaining inequality like programs of healthcare, and education. An interesting point of view is being discussed in the news that it is better to provide money to the people of the lower class so that they can spend money on their need. It can be useful because every individual has different problems and choices to solve the problem. Money can help them to solve their problem directly while spending money on different programs can restrict their access to money.

The critic is made that direct access to money can discourage people to work, as economics explains that every individual has different choices and different level of satisfaction, therefore providing money to the lower class may result in inefficient use of money. They may spend their money on personal desires and luxuries rather than useful things like education and healthcare. The primary goal of the administration should upgrade the standard of living. The decrease in inequality may help politicians to get power, but priorities of overspending of money can make it difficult. Therefore it is necessary to spend money on the programs which decrease inequality more effectively.

**References**

Democratic Presidential Hopefuls Amplify Income Inequality Message - WSJ. (n.d.). Retrieved February 23, 2019, from https://www.wsj.com/articles/democratic-presidential-hopefuls-amplify-income-inequality-message-11549449000