

Title: Income inequality is so bad that most people are unable to conceptualize just how big those money numbers are. Hopefully this helps.

Author: disoriented_llama

Created 2022-08-08 08:05:03 UTC

Permalink: /r/TheGloryHodl/comments/wj35ft/income_inequality_is_so_bad_that_most_people_are/

Url: /r/lostgeneration/comments/wivrt4/income_inequality_is_so_bad_that_most_people_are/

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I know I am not necessarily breaking any new ground here, but I made some number comparisons, which were eye-opening. I get this is long, but stick with me. Let's look at three households (I am omitting things like taxes and cost of living for the sake of level of comparison):

Household #1 makes \$67,000 \- the median yearly household income in the US. That is not a ton of money, but it is enough to not be destitute in most places in the US.

Household #2 makes \$1,000,000 (one million) \- They are doing very well for themselves. I am not sure that I personally know any households that make this much every year, but that is the point. This wealth level starts to reach difficult-to-understand numbers, but I can imagine a scenario where two people in the right jobs could easily pass the million mark every year. I would even go so far as to say that I could conceive of a future where I am at this level (even though the chances are minuscule) as if both my wife and I reached the "endpoint" of our career paths, we would be within spitting distance.

Household #3 makes \$1,000,000,000 (one billion) \- according to the Forbes list, this would put you as about the 2578th richest family in the world. Very impressive, but I would bet your personal yacht would be laughed at on the golf course. I'm going to look at this household in two ways. First, assuming they make 1 billion a year, and second, as if they start with 1 billion and make no extra money for the next 40 years. That covers both "new money" and "old money".

Let's start with the question that got me started on all this - ***How much money do you have available every day to spend?*** Divide each by 365 and get:

1 - \$184

2 - \$2740

3 - \$2,739,726 (about 2.7 million) if you can spend the full billion every year

Let's say #3 made that billion, though, and decided that they had won life and wanted it to last for the rest of their life instead of spending it immediately. They expect to live for another 40 years. ***Assuming you made zero other money or interest, #3 could spend about \$68,500 a day, every day, for the rest of their life. And if they don't spend all their allowance today, it rolls over into tomorrow.***

Put it another way, household #3 could spend more than household #1's yearly salary every day for what is close enough to "forever" for adults. Household #2, a household that I would consider exceptionally wealthy, is basically a rounding error for household #3. And remember that #3 is pretty low on the billionaire rankings. Imagine having \$100 billion to work with - I am not even sure I could spend \$685,000 a day for the rest of my life.

But money doesn't quite work that way. Money earns interest when you have amassed large quantities. Just how much? My current retirement plan has an option for a guaranteed return of 3% annually so I will use that as the most conservative number possible. ***Per year, here is what would be earned assuming you could dump the entire amount in on January 1st.***

1 - \$2,010

2 - \$30,000

****3 - \$30,000,000****

So my earlier numbers were a little misguided in reality, and not to the detriment of household #3.

*****Median income households get a small vacation, millionaire households get a potential retirement income, and billionaires get a lottery win.***** This means that billionaire household #3 could actually spend \$82,192 a day, every day, forever, and never even touch the original sum of money.

And that is the point I am trying to make here - billionaires work on a wealth level that is even difficult to imagine as a "normal" person. Yes, I know that "wealth" and "income" are different things, so billionaires don't have liquidity the same way as most people, but that further crystallizes the point. A group of people has so much wealth that they have created ways to operate in financial systems because "normal" ways just can't handle the numbers we are talking about.

What justification is there for this level of wealth? When I converted this into numbers relatable to my financial interactions, it kind of broke me. How can anyone justify making more in a day than most make in a year? This doesn't even scratch how the income is/was earned, the value added by labor, and numerous other issues with amassing such a large pile. Billionaires have more money than anyone could reasonably spend in a lifetime, yet they continue to amass more. I think the comparison to dragons is an apt one.

*****And until we do something about this hoarding, we are hurtling towards oblivion thanks to an ever-escalating financial dick-measuring contest between a few hundred guys.*****

EDIT - Some formatting