"I read that within 20 years, the top 1 percent of the richest people in the world will have more accumulated wealth than the entire remaining 99 percent. I thought about this projection long and hard, concluding with these two thoughts – So what and who cares?" So wrote guest columnist John Morris in this space on 20 February.

If his view is widespread, perhaps in our own interest we should think—and research—a bit longer and harder, because wealth stratification impacts everyone, even The One Percent. But let's focus on the United States, which already has the most extreme stratification of any industrialized democratic nation, and more so now than at any time in the past hundred years. However, let's use Morris's 1:99 ratio, since, if nothing else changes, this seems a realistic projection for our own future. Picture the "Gilded Age" of the late 19th century, when much of America's personal wealth was concentrated among a small group of "robber-barons," the middle class was comparatively minuscule, and multitudes had to scramble for scraps.

First, consider what gives money its value. Aside from stuffing mattresses, money has little practical use, except to be traded for other things we can actually use. A dollar from a worker's paycheck won't wet his whistle, but it'll buy him a cup of coffee. The coffee shop owner uses the dollar to help pay her supplier, who uses it to pay the importer, and so on. A dollar changing hands 1,000 times yields $1 of benefit (more or less) to each of 1,000 people. In this way, circulating money generates what economists call a "multiplier effect" with each transaction.

Second, money in active circulation creates demand, which enables sales, which generate profit and motivate production, which requires workers, who get paychecks, which fuel demand, and so on. On the other hand, a dollar saved yields little short-term benefit. Over a year, it might earn a penny or two in interest—not enough to keep pace with inflation—or maybe a

nickel or two in dividends. But that's hardly the economic impact it would have in circulation.

Third, there's a pattern to personal spending. Poor families must spend all their income just to survive. Rich families spend more dollars than poor ones, but comparatively little as a percentage of income; most of their income is saved or invested. Middle-income families are somewhere between, though we should note this class has been shrinking since the early 1980s.

Now comes the math—but we'll keep it simple. Let's speculate that the richest one percent annually spend 2% of their 99% of wealth. Two percent of 99 percent is 1.98 percent of total wealth. Meanwhile, the poor and middle ninety-nine percent, on average nowadays, spend maybe 90% of their 1% of wealth. Ninety percent of 1 percent is 0.9 percent of total wealth. Add these two subtotals: 1.98% + 0.09% = 2.07%.

That's just two percent of total personal wealth circulating to generate demand, sales, production, profits, paychecks, etc. That's not much to sustain a national economy, let alone make it prosper—or recover jobs lost in a recession.

Jobs? Recession? Shouldn't we care about those?

Profits? Didn't I say even The One Percent are impacted?

Morris is right: "The world isn't fair." But it's a mistake to assume fairness is the issue here. The issue is the productive strength, breadth, and health of our economy, and of the civilization it supports. And whatever its faults may be, that's worth caring—and getting informed—about.

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Correction

In Wednesday's guest column by Stephen A. Joyce, a sentence should have read, "Ninety percent of 1 percent is 0.9 percent of total wealth. Add these two subtotals: 1.98 percent + 0.9 percent = 2.88 percent."

Correction requested by author and printed Friday, 2015-03-06.