



## A CASE NOT MADE

WE HAVE, IN THE PAGES just concluded, examined the classic claims made on behalf of concentrated wealth.

Societies that welcome great fortunes, the case for concentrated wealth asserts, give their most deserving individuals the incentives they need to refine their talents and work harder, longer, and smarter than they otherwise would. And societies that richly reward their deserving are, in turn, themselves rewarded — with prosperity, charity, and beauty.

Civilized societies, in sum, need great wealth. The wealthy deserve their wealth. The rest of us all benefit from it.

A simple story. A comforting story.

As comforting as any fairytale.

Fairytales, unfortunately, do not reveal reality. They obscure it. Those of us who go about living as if life were a fairytale will always inevitably be disappointed. Life cannot deliver what fairytales promise.

Over the past quarter-century, the fairytale spun by the fortunate has not delivered. Aiding and abetting wealth concentration has not energized genius, rewarded the worthy, or left those of us unworthy of great fortune any better off. We have not benefited from increasing inequality. We have not come to live in a more secure, compassionate, or lovely land.

But we cannot and should not attempt to judge concentrated wealth — or any social phenomenon, for that matter — on the basis of “deliverables” alone. To appropriately analyze any human endeavor, as America’s schools of business have taught us, we need to look at costs, not just benefits.

In modern life, we perform “cost-benefit” analyses all the time, in everything from our businesses to our debates over public policy. “Costs” and “benefits,” we understand, must each be evaluated before we reach any final judgments on any endeavor’s ultimate value.

An endeavor that delivers all its promised *benefits*, after all, could quite rightfully be declared a dismal failure if the *costs* incurred to make that delivery have proven outrageously monumental. By the same token, an endeavor that doesn't, at first, deliver on its promises might still be worth continuing — if that endeavor exacts no appreciable cost. Change sometimes does take considerable time. With more time, a suspect endeavor might eventually deliver.

America's growing inequality has not yet, we have seen, delivered. How should we react? Should we sit back and give inequality more time to produce the benefits so far denied us? Or should we take steps — now — to roll back inequality and start anew.

Hold that question, a freshly minted MBA might suggest. We have yet to examine the “cost” side of America's social ledger. Great fortunes may not, at least so far, have benefited us. But what have they actually *cost* us?

Good point. We need to answer our MBA's question.