

**Paul Krugman - New York Times Blog**

**February 8, 2013, 9:41 am**

### **Corporate Hoarding and the Slow Recovery**

Lots of talk now about Apple's cash hoard, which is actually kind of amazing: this is supposedly our cutting-edge technology company, and it apparently can't find things it wants to invest in. Or more accurately, given its incredible profits, it can't find enough things to do with all the money it makes.

So, I've had a mild-mannered dispute with Joe Stiglitz over whether individual income inequality is retarding recovery right now; let me say, however, that I think there's a very good case that the redistribution of income away from labor to corporate profits is very likely a big factor. Here's corporate profits as a share of GDP:

So corporations are taking a much bigger slice of total income -- and are showing little inclination either to redistribute that slice back to investors or to invest it in new equipment, software, etc.. Instead, they're accumulating piles of cash.

How big a piece of the story is this? Stay tuned.

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