

- I. By the numbers: trends in income and wealth inequality
    - A. Trends in income Figure 2-1, p. 25
      - 1. Highest income inequality prior to WWII
      - 2. Decline in income inequality during
        - a. 1930s (New Deal safety-net programs)
        - b. 1940s (post-WWII prosperity)
      - 3. Gradual increase in income inequality since the 1970s Tables 2-1 & 2-2, p. 27
        - a. Globalization, economic deregulation, & tax reform
        - b. All 3 benefitted those with higher incomes far more than those with lower incomes
    - B. Trends in wealth (greater inequality in wealth than income) Figure 2-2, p. 28
      - 1. High wealth inequality in the 1920s and 30s
      - 2. Gradual decline in wealth inequality in 1940s through 1960s
      - 3. Gradual increase in wealth inequality since 1970s
  - II. Inequality and the lives (opportunities) of Americans
    - 1. An education divide Figure 2-3, p. 30; Figure 2-4, p. 32; Figure 2-5, p. 33
    - 2. Health care and pensions
      - a. Health insurance
      - b. Pension structures
        - (1) Defined benefits
        - (2) Defined contributions
- III. Interpreting inequality
    - A. Liberal view: root causes include systemic factors beyond the control of individuals
    - B. Conservative view: root causes are primarily individual failings of responsibility and motivation
    - C. Evidence based on economic mobility is inconclusive Table 2-3, p. 39 because we don't know if either upward and downward mobility are linked to individual effort and abilities or to systemic causes
- IV. Conclusion
  - A. Since 1970s,
    - 1. A gradual increase in median family income Table 2-1, p. 25
    - 2. But also, a gradual increase in income and wealth inequality
      - a. "A rising tide raises all boats" (income levels) Table 2-2, p. 27
      - b. But, those with higher incomes and wealth are rising faster
  - B. Many more two-income households

