

# American Inequality

## (A Statistical History)

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### Distribution of Wealth and Income in U.S.A. (1890)

Class Status	% of U.S. Pop.	% of National Wealth	# of Families	Average Income per Family
Rich	0.01%	50.8%	125,000	\$264,000
Upper Middle	11%	35.4%	1,375,000	\$16,000
Middle	44%	13%	5,500,000	\$1,500
Poor	44%	1.2%	5,500,000	\$150 (poverty line at \$553)
Unemployed some time every year	23-30%			

Nell Irvin Painter, *Standing at Armageddon: The United States, 1877-1919* (New York, 1987): xix.

### Distribution of Wealth and Income in U.S.A. (1977)

Class Status	% of U.S. Pop.	% of National Wealth	# of Families	Average Income per Family
Very Rich	1%	7.3%	n/a	\$234,700
Rich	20%	44.2%	n/a	\$74,000
Upper Middle	20%	22.8%	n/a	\$42,600
Middle	20%	16.4%	n/a	\$32,400
Lower Middle	20%	11.5%	n/a	\$22,100
Poor	20%	5.7%	n/a	\$10,000

Kevin Phillips, *Wealth & Democracy* (New York, 2002)

1970s to 1990s

- Average American salary rose from \$32,522 to \$35,864 (10% increase) salary adjusted for inflation
  - Average C.E.O salary rose from 1.3 million to 37.5 million (2700% increase)

Paul Krugman, "The End of Middle-Class America," *New York Times Magazine* (Oct 20, 2002)

### Distribution of Wealth and Income in U.S.A. (1999)

Class Status	% of U.S. Pop.	% of National Wealth	# of Families	Average Income per Family
Very Rich	1%	12.9%	n/a	\$515,600
Rich	20%	50.4%	n/a	\$102,300
Upper Middle	20%	21.3%	n/a	\$45,100
Middle	20%	14.7%	n/a	\$31,400
Lower Middle	20%	9.7%	n/a	\$20,000
Poor	20%	5.2%	n/a	\$8,800

Kevin Phillips, *Wealth & Democracy* (New York, 2002)

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### Distribution of Wealth and Income in U.S.A. (2006)

Class Status	% of U.S. Pop.	% of National Wealth	approx # of people	Average Income per Family
Very Rich	0.5%		673,273	Over \$5,000,000
Rich	1.7%		2.3 million	\$350,000
Lower Rich	7.3%		9.7 million	\$150,000
Upper Middle	20%		60 million	\$75,000
Middle	20%		60 million	\$40,000
Lower Middle	37.4%		112.2 million	\$25,000
Poor	12.6%		37.8 million	\$15,000 (poverty line at \$18,810)

Jackson Dykman, "America by the Numbers," *Time* (Oct 30, 2006)

In 1990s, Chance a child born rich will be rich as an adult: 22%  
 In 1990s, Chance a child born poor will be rich as an adult: 1%

Percent of poor families who remain poor: 47%  
     but if your white... 32%  
     but if your black... 63%

Alister Bull, "America's Rags-To-Riches Dream an Illusion: Study," *Reuters* (April 26, 2006)

### Education & Average Income of People 25 years or older

Education	% of U.S. Pop. Over 25 years	Average Income	Average Student Debt
Graduate Degree	10%	\$78,093	Estimate ~ \$50,000
Bachelors	28%	\$51,554	\$20,000
Associates	38%	n/a	n/a
High School	47%	\$28,645	----
No High School	15%	\$19,169	----
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Total High School Drop-Outs (18 years old)	30%	n/a	----

Stephen Ohlemacher, "College Degree Worth Extra \$23,000/year," *Associated Press* (Oct 26, 2006)

"Racing for Knowledge: International Comparisons," *Wilson Quarterly* (Autumn 2006): 43.

Nathan Thornburgh, "Dropout Nation," *Time* (April 17, 2006)

Tim Jones & Jodi S. Cohen, "College Students' Financial Burden Is About to Get Worse," *LA Times* (March 5, 2006): A23  
 "Out of the Mouths of Babes," *The Economist* (Dec 24, 2005): 36.

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1970s to 1990s (Bronfenbrenner et. al., *The State of Americans* (New York, 1996))

- Richest 5% of Americans saw an average annual income increase of 1.16%
- Poorest 40% of Americans saw an average income decrease of -0.44%

1980s to 1990s (Bronfenbrenner et. al., *The State of Americans* (New York, 1996))

- Richest 20% of Americans: 71% go to college and 40% graduate
- Poorest 20% of Americans: 40% go to college and 12% graduate
  
- High School drop out rate rich white: 2.5%
- High School drop out middle class Hispanic: 23.9%
- High School drop out poor black: 24.5%
- High School drop out poor Hispanic: 41.3%
  
- % of American children living in poverty (1970): 15%
- % of American children living in poverty (1985): 23%
- % of American children living in poverty (1994): 24%
- % of Black American children living in poverty (1994): 48%
- % of Hispanic American children living in poverty (1994): 42%
  
- In 1974 women made 85% the wage of a man
- In 1989 women made 85% the wage of a man

2005 – 2006

- + 102 billionaires in the world (793 billionaires total in the world)
- Combined wealth of all billionaires grew 18% (\$2.6 trillion)

“102 Added to Billionaire Ranks,” *LA Times* (March 10, 2006): C3

- Ratio of average household income to household debt: 108.4%
- (The average American household owes more money in debt than it actually earns in salaries)

Jessica Bennett, “Spend Cycle,” *Newsweek Online* (Aug 8, 2006)