I. Inequality and Wealth

A. Wealth

1. Net worth: what you own minus what you owe

2. Financial wealth: income producing wealth

(stocks, bonds, trusts, business equity, financial securities, commercial property)

B. Net Worth by household

1. Top .01%

2. Top 1% = 34%

3. Top 10% = 71%

4. Top 20% = 80%

5. Bottom 80% of population=20% of wealth

C. Financial wealth

1. Top 1% = 40%

2. Top 10% = 80%-90%

(Stocks, bonds, trusts, business equity, financial securities)

D. Net worth: trend (top 1%)

1. Since 1970: +2x

2. 2001 to 2008 ($186 billion to $816 billion)

E. Comparison

1. Industrial countries

2. Historically

F. Middle class household

1. Middle 20%: net worth $82,000

2. Wealth

a. principal residence

b. stocks: 80% less than $10,000

c. life insurance, pensions/401 Ks, savings

3. Trend

1. declining

b. + debt

c. mortgages: Americans 55-64 (median +3x to $85,000 since 1989)

G. Poor and working class

1. bottom 50% 2.5% of wealth

2. bottom 20%: -$11,400

3. Trend

H. Median Net Worth Household: Race/Gender

1. White $113,000 (between 2005-09 -16%)

2. African American $5,700 (between 2005-09 -53%)

1. Hispanic $6,300 (between 2005-09 -66%)
2. Single white women $41,000, single black women $100, single Hispanic women $120.
3. increasing disparity: white 10x to 20x

6. 18-35 $4000 (-68% since 1984)

II. Inequality by Income

A. Income

1. Investment income

2. Income from work

3. Real income

a. income adjusted for inflation

b. example: media income for men 1968 $32,844, 2010 $32,127

B. Income

1. median household: $50,000

2. Concentration

a. top 0.1% (15,000 households, 6%, + bottom 120 million)

b. top 1%=17%

c. top 10% =48.5%

3. Source of income

a. work

b. top 10% receive 80% of investment income

c. bonuses: financial industry (38 companies= $146 billion)

4. Trend

a.Gini index .466 ^

b. top 1% last 30 years 2x share of income (CBO)

c. During “economic recovery” 2009-2010 top 1% 93% of all income growth

d. CEOs:

i. 1980 40x/present 300x

ii. . Top 400: 2001 to 2008 (2x to $263 million- 63% capital gains, tax rate 16.6%, no social security)

e. bottom 90% avg: 1973 $33,000 2005 $29,000

4. Comparison

a. industrial countries

b. historically

C. Median Household Income: Race

1. White $50,784

2. Black $30, 858

3. Hispanic $35,967

4. Trend

a. Same

b. New trend: class within race

D. Inequality by gender: income

1. $41, 386 m : $31,858 w

1. w -1.8%