The Growing Divide
Race, Gender, & Economic Inequality
The Nation in Crisis

★ Growing Insecurity
Unstable employment
Stagnant wages
Insecure pensions
Roller-coaster stock market

★ Greater Burdens
Longer work hours
Loss of family time
Rising costs of housing, health care, education, utilities, and food

★ Stress, Isolation & Scapegoating
Anger at immigrants
Criminalization
Environmental crisis
Endless war
Median Adjusted Household Income by Race, 1967-2016

Racial income inequality persists

Median Annual Earnings for Women & Men, 1960-2015

The gender wage gap continues

Notes:
Annual earnings data include self-employed workers; weekly data are for wage and salary workers only. Annual earnings are for people 15 years old and older beginning in 1980 and people 14 years old and older as of the following year for previous years. Before 1989 annual earnings are for civilian workers only. Weekly earnings are for full-time civilian workers aged 16 and older in and are not restricted to full-year workers. Full-time is work for at least 35 hours per week, full-year for at least 50 weeks per year. Annual median earnings data are typically released in September by the U.S. Census Bureau. The annual average of weekly median earnings is usually released in February by the U.S. Bureau of Labor Statistics. Both data series are derived from the Current Population Survey. Adjustments for data from earlier years to 2015 dollars are computed on the basis of the Consumer Price Index Research Series (CPI-U-RS); U.S. Bureau of Labor Statistics <http://www.bls.gov/cpi/cpiursai1977-2015.pdf> (accessed September 2016).

Median Annual Earnings by Race and Gender, 2014

Race and gender disparities intersect

*Data on Asian Americans can be misleading. Many data sets group together populations of Asian immigrants that have very different civic, economic and cultural characteristics.*

The income gap has expanded

Real Family Income Growth by Quintile & for Top 5% & Top 1%, 1979 - 2014

Real Family Income Growth by Quintile & for Top 5%, 1947 - 1979

This gap wasn’t as large before

What’s the Difference Between Income & Wealth?

Think of a running stream that flows through a lake.

- **Income** is the money & assets that flow into the lake.
- **Expenses** are the money & assets that flow out.
- If there’s anything left over, that’s your **Net Wealth**.
Household Median Net Worth by Race, 2016

Net Worth is
ASSETS minus DEBTS
(What You OWN minus What You OWE)

- Black: $17,600
- Latino: $20,700
- All Other: $64,800
- White: $171,000

Gender- and race-based disparities limit women’s ability to build wealth.

Source: Center for Global Policy Solutions <http://globalpolicysolutions.org/resources/wealth-gap-women-color/>.
Ownership of Household Wealth in the U.S., 2016

Top 1%

39.7%

Bottom 99%

The total net worth of the top 1% = $33.4 Trillion

Source: Billionaire Bonanza: The Forbes 400 and the Rest of Us by Chuck Collins and Josh Hoxie
Ownership of Global Wealth, est. 2014

Top 1%

Bottom 99%

The Power Shift Since the 1970s

On the Rise
- Big Campaign Contributors
- Corporate Lobbyists
- Corporations
- Big Asset Owners
- CEOs
- Wall Street

In Decline
- Popular Political Movements
- Voters
- Labor Unions
- Wage Earners
- Employees
- Main Street
# Rule Changes Since the 1970s

*Policy changes reflect and reinforce the power shift.*

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<th><strong>Minimum Wage:</strong></th>
<th>Not raised to keep up with inflation &amp; increased cost of living.</th>
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<td><strong>Unions:</strong></td>
<td>Anti-union climate weakens the power &amp; voice of workers.</td>
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<td><strong>Trade:</strong></td>
<td>Global treaties benefit corporations, not workers or communities.</td>
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<td><strong>Taxes:</strong></td>
<td>Taxes shifted from big investors and corporations to workers.</td>
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<td><strong>Budget:</strong></td>
<td>Public services cut. Corporate subsidies expand.</td>
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<td><strong>Privatization:</strong></td>
<td>Government outsourcing plus no-bid contracts hurts taxpayers, workers, and public safety.</td>
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<td><strong>Criminalization:</strong></td>
<td>People of color targeted, keeping racial divide in place.</td>
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The federal minimum wage does not keep pace with the rising cost of living.

Sources: Living wage is calculated by dividing that year’s poverty threshold for a family of four by 2080 hours (52 weeks x 40 hours). Poverty thresholds for 1968 and 1979 from U.S. Census Bureau, Historical Poverty Tables, Table 1. Poverty thresholds for 2015 from the U.S. Census Bureau, Poverty thresholds by Size of Family and Number of Children.
Deregulation of mortgage lending drove the amount of mortgage debt sky high!

Student Debt on the Rise

Student debt has outstripped credit card debt for the first time.

"Why Student Loans are Creating a Permanent U.S. Underclass" by Derek Royden, March 1, 2016 <nationofchange.org>.
Percentage of the Workforce in a Union, 1930-2017

Anti-union policies weaken the power & voice of workers.

1930: 0% Unionized

1936: Sit-Down Strike in Flint, MI

1937: Wagner Act

1947: Taft-Hartley Act

1981: Reagan Breaks PATCO

1947: Taft-Hartley Act

Manufacturing Declines in U.S.

“Right-to-work” rules Expand to 25 states

2017: 10.7% Unionized

Source: Bureau of Labor Statistics
“Free” Trade Treaties Help Corporations, Not Workers or Communities

The aim of treaties such as **NAFTA** is to reduce “barriers” to trade. The worldwide result:

- Jobs shifted to low-wage countries
- Lower wages and living standards
- Weakened worker rights
- Environmental damage
- Weakened economies in developing nations
- Cuts in social safety nets
- Rise in poverty

New trade & investment agreements, such as the **Trans-Pacific Partnership (TPP)** . . .

- permit foreign corporations operating in the U.S. to ignore U.S. laws that protect the environment and workers’ rights;
- threaten laws that protect community lending, health and safety, pay equity, pro-human rights government purchasing rules, public control of water & education, etc.
Federal Tax Rates for the Top 1% and the Median Family 1947-2018

Big tax breaks for the wealthy - No tax relief for working families

Taxes have shifted from corporations to individuals.

Source: Congressional Budget Office, "Revenues by Major Source, 1962 to 2018. (Note: 2018 projected April, 2018)
Privatizing Public Services Helps Investors, Hurts Consumers and Workers
Incarceration has increased substantially...

People of Color are 26% of the U.S. population yet are roughly 60% of those in prison!

Number of people incarcerated per 100,000

Sources: U.S. Department of Justice

Note: In 2010 American Indian and Alaskan Native were at 895 per 100,000 people.
Deportations from the U.S., 1900-2013

Thousands

Source: Department of Homeland Security
The number of foreign-born people in the U.S. reflects **push** and **pull** factors such as job loss and immigration quotas.

**Total Number of Foreign-Born in the U.S. 1870 - 2010**

- **1870**: 5.6
- **1880**: 6.7
- **1890**: 9.3
- **1900**: 10.4
- **1910**: 13.6
- **1920**: 14.0
- **1930**: 14.3
- **1940**: 11.7
- **1950**: 10.4
- **1960**: 9.7
- **1970**: 9.6
- **1980**: 14.1
- **1990**: 19.8
- **2000**: 28.4
- **2010**: 36.7

Source: U.S. Census Bureau.
The percentage of foreign-born people in the U.S. reflects push and pull factors such as job loss and immigration quotas.

Source: U.S. Census Bureau.
Boosts on the Escalator to the Middle Class

- Home Mortgage Interest Deduction
- G.I. Bill: Free College
- FHA Loans
- Social Security
- Homesteading Laws
When women are employed doing work performed largely by men they **EARN LESS** than their male counterparts.

Women are concentrated in the **LOW-WAGE WORKFORCE**.

The work of child-rearing, care for the elderly and work in the home is often **UNPAID WORK** and is performed largely by women.

**Source:** Race, Gender and Work by Julie Matthaei & Teresa Amott, 1999
Median Annual Earnings by Race and Gender, 2014

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• Women are only 46% of the total workforce but make up THREE-QUARTERS of LOW-WAGE workers.

• Women of color are only 16% of the total workforce but make up 37% of LOW-WAGE workers.

Source: National Women’s Law Center calculations based on IPUMS-CPS (2013). The “low-wage workforce” is defined as the 10 largest low-wage occupations with median wages of less than $10.10 per hour per BLS, Occupational Employment Statistics.
Unpaid Work by Gender in the U.S.

Average number of hours per week

Women 21  Men 13

Unpaid work includes:

- Household management
- Caring for and helping household members
- Buying goods and services
- Cooking
- Cleaning
- Laundry & sewing
- Lawn and garden care
- Maintenance and repair
- Travel related to other unpaid work activities...


Notes: Ages 16 and older
Paid-work related activities include time on the job, commute time, and any other time spent on job-related activities
Our Theory of Change: Social Movements
Principles of a Fair Economy

★ Equity in all dimensions (race, class, ethnicity, gender, etc.)

★ Solidarity and Cooperation

★ Political & Economic Democracy

★ Sustainability

★ Pluralism and Diversity

★ Accountability

★ Respect & Dignity for People and Planet
Strategies for Building a Fair Economy

★ Educate & Change the Conversation

★ Campaign to Build Power & Change the Rules

★ Connect the Dots and Build a Movement