

Income Inequality

POLS 4790: Political Polarization

Week 6, Fall 2013

Rising Income Inequality

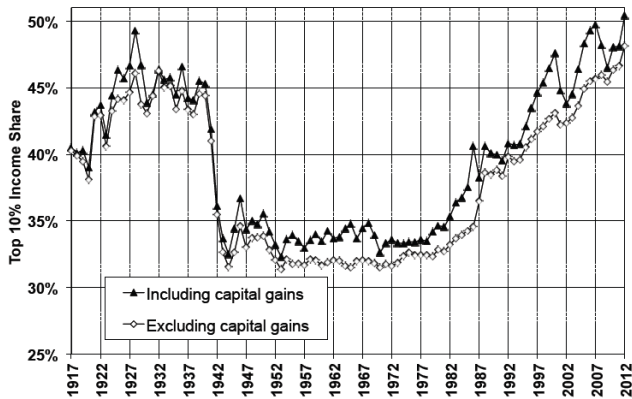


FIGURE 1
The Top Decile Income Share, 1917-2012

Source: Thomas Piketty and Emanuel Saez

Rising Income Inequality

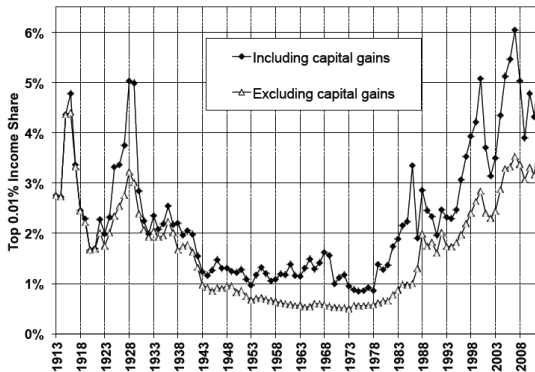


FIGURE 3
The Top 0.01% Income Share, 1913-2012

Source: Thomas Piketty and Emanuel Saez

Rising Income Inequality

Table 1. Real Income Growth by Groups

	Average Income Real Growth	Top 1% Incomes Real Growth	Bottom 99% Incomes Real Growth	Fraction of total growth (or loss) captured by top 1%
	(1)	(2)	(3)	(4)
Full period 1993-2012	17.9%	86.1%	6.6%	68%
Clinton Expansion 1993-2000	31.5%	98.7%	20.3%	45%
2001 Recession 2000-2002	-11.7%	-30.8%	-6.5%	57%
Bush Expansion 2002-2007	16.1%	61.8%	6.8%	65%
Great Recession 2007- 2009	-17.4%	-36.3%	-11.6%	49%
Recovery 2009-2012	6.0%	31.4%	0.4%	95%

Source: Thomas Piketty and Emanuel Saez

Income Inequality and Political Polarization

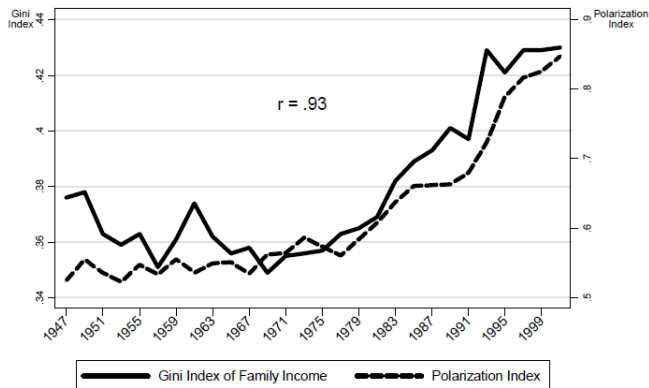
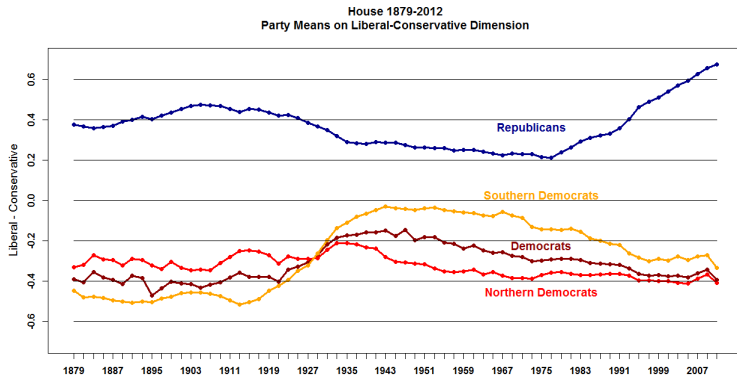


Figure 1.1: Income Inequality and House Polarization

Source: Gini Index from the U.S. Census (2002). Polarization is measured as the difference between the Democratic and Republican party mean DW-NOMINATE scores in the U.S. House. The Gini and polarization measures correspond to the first year of each biennial congressional term.

Source: Nolan McCarty, Keith T. Poole, and Howard Rosenthal

Income Inequality and Political Polarization



Polarized America / voteview.com

Income Inequality and Political Polarization

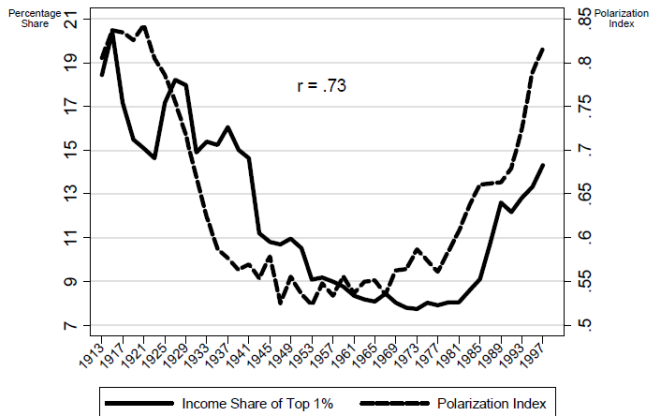


Figure 1.2: Top 1% Income Share and House Polarization

Note: From Piketty and Saez (2001). Used by permission.

Source: Nolan McCarty, Keith T. Poole, and Howard Rosenthal

Income Inequality and Political Polarization

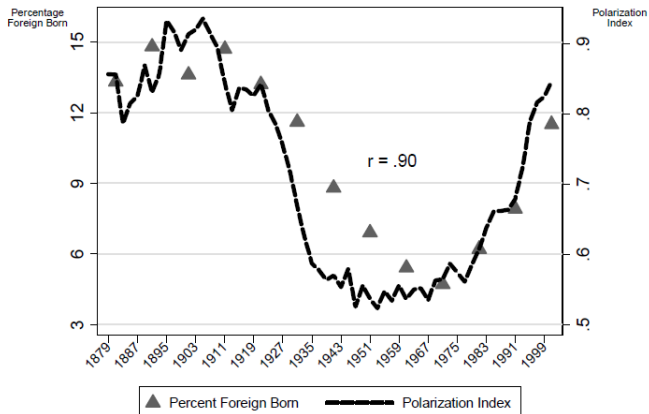


Figure 1.3: Percent Foreign Born and House Polarization

Source: Each observation of Foreign Born population corresponds to a U.S. decennial census.

Source: Nolan McCarty, Keith T. Poole, and Howard Rosenthal

Income Inequality and Political Polarization

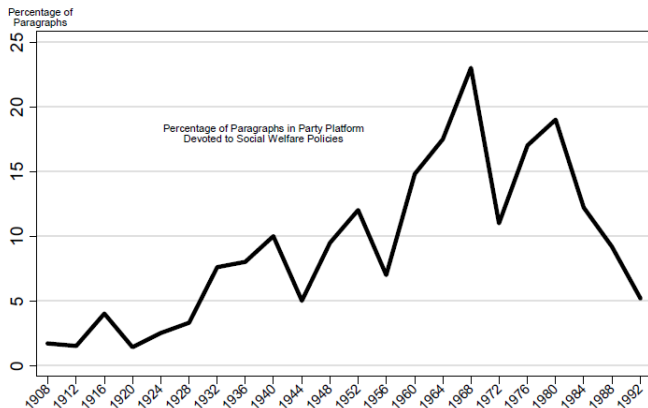


Figure 1.4: Attention to Social Welfare in Democratic Party Platform

Note: From Gerring (1998) Figure 14, used by permission.

Source: Nolan McCarty, Keith T. Poole, and Howard Rosenthal