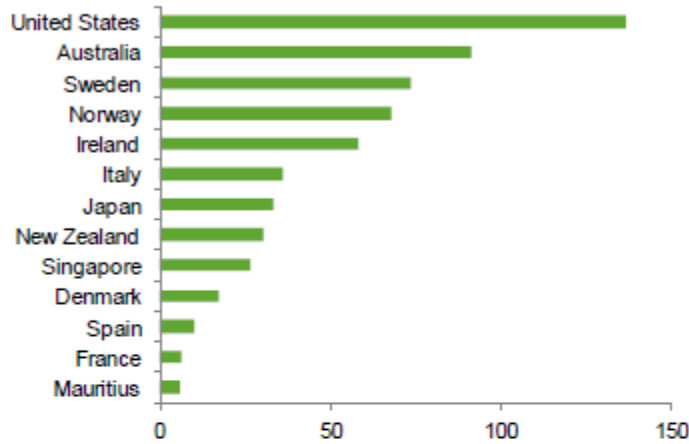


Inequality and Its Consequences

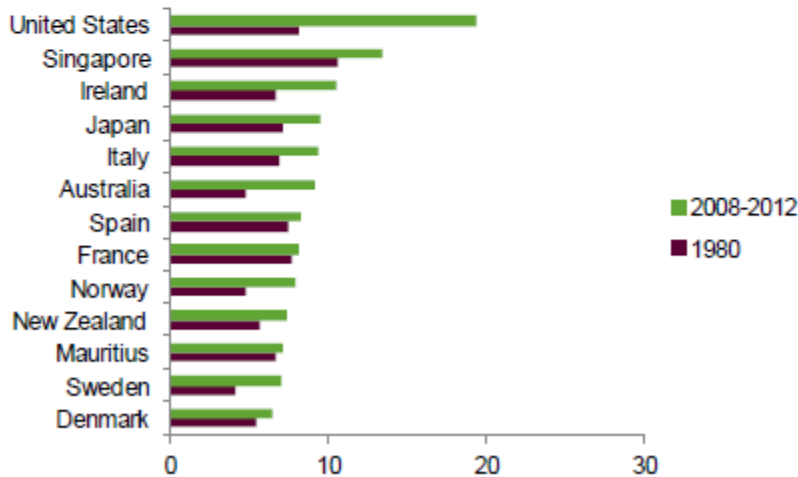
Unfortunately, we, in the United States, are leading the way in the growth of inequality as shown in the next figure:

Figure 1: The rich get richer

The percentage increase in share of income of the richest one percent, 1980–2012



The share of national income going to the richest one percent

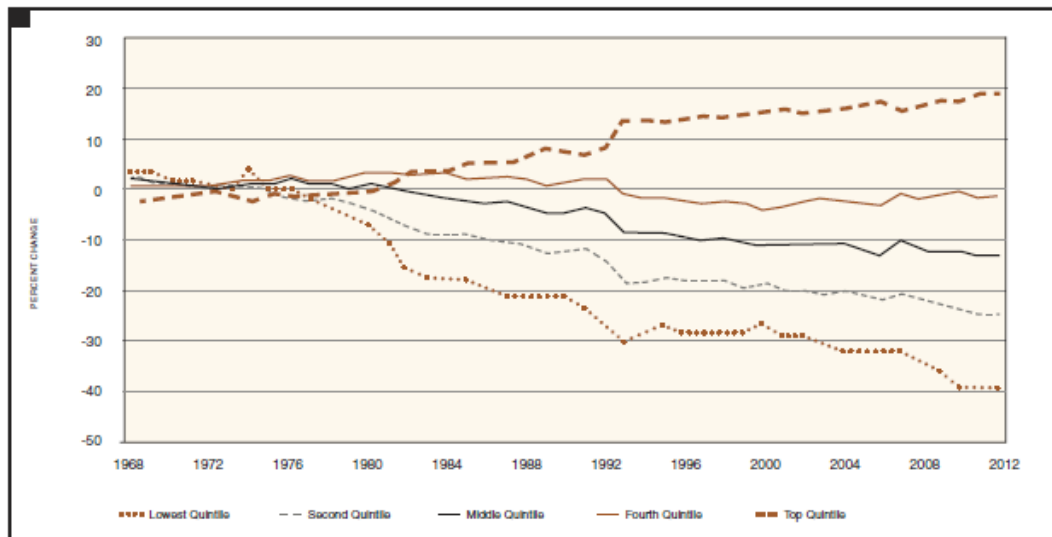


Source: F. Alvaredo, A. B. Atkinson, T. Piketty and E. Saez, (2013) 'The World Top Incomes Database', <http://topincomes.g-mond.parisschoolofeconomics.eu/> Only includes countries with data in 1980 and later than 2008.

Source: Oxfam Briefing Paper: Working for the Few: Political Capture and Economic Inequality, 20 January 2014

We see this reflected in gross disparities in growth of household income in the United States, with those at the top of the economic ladder benefitting disproportionately as shown in the next figure:

FIGURE 2. Percent Change in Shares of Adjusted Household Income by Quintile (Share of Income of Each Quintile Relative to Share in 1967)

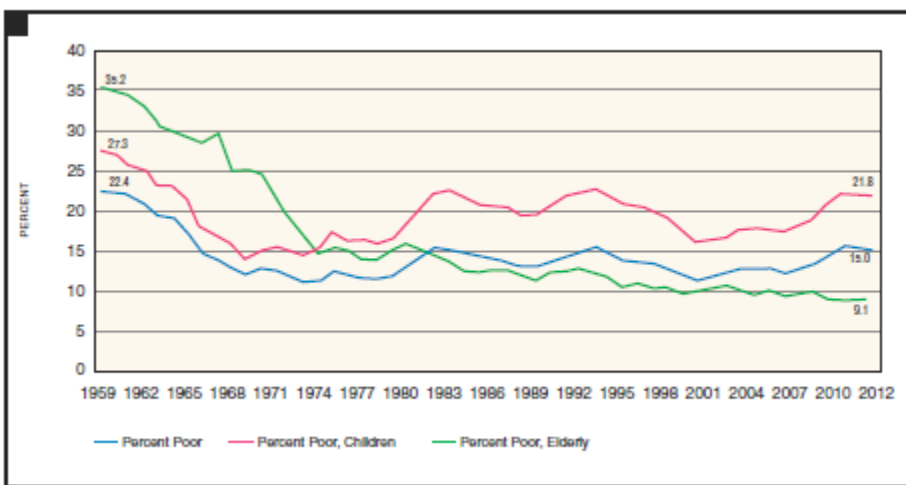


Source: DeNavas-Walt, Proctor, and Smith (2013), Table A-2, pages 40-44.

Source: State of The Union, The Poverty and Inequality Report 2014, The Stanford Center on Poverty and Inequality

As a result our overall poverty rate remains high with children particularly affected:

FIGURE 1. Trends in Official Poverty

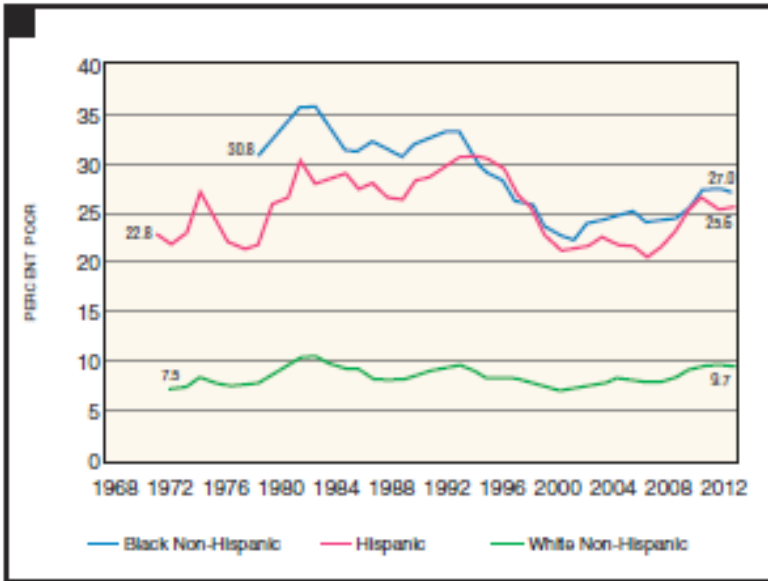


Source: U.S. Census Bureau, Historical Poverty Tables

Source: State of The Union, The Poverty and Inequality Report 2014, The Stanford Center on Poverty and Inequality

As are those who are African American or Hispanic:

FIGURE 4. Poverty Rates by Race/Ethnicity Persons Ages 18-64

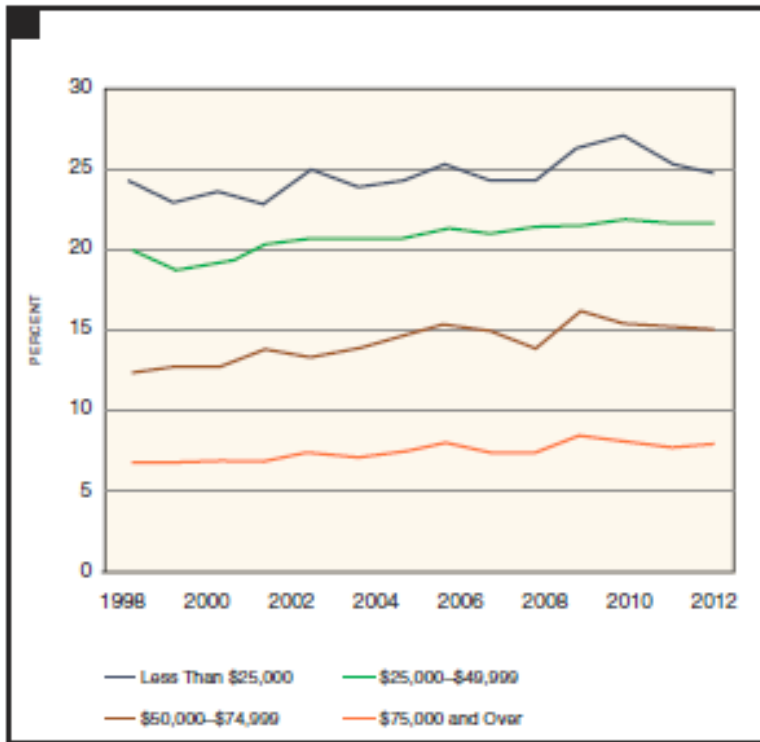


Source: <http://www.census.gov/hhes/www/poverty/data/historical/people.html> and Stanford Center on Poverty and Inequality calculations using March CPS microdata downloaded from IPUMS (King et al., 2010).

Source: State of The Union, The Poverty and Inequality Report 2014, The Stanford Center on Poverty and Inequality

We see inequality starkly reflected in health care coverage with those at lower income levels suffering disproportionately:

FIGURE 6. Uninsured Rates by Real Household Income (in 2012 dollars), 1999-2012.

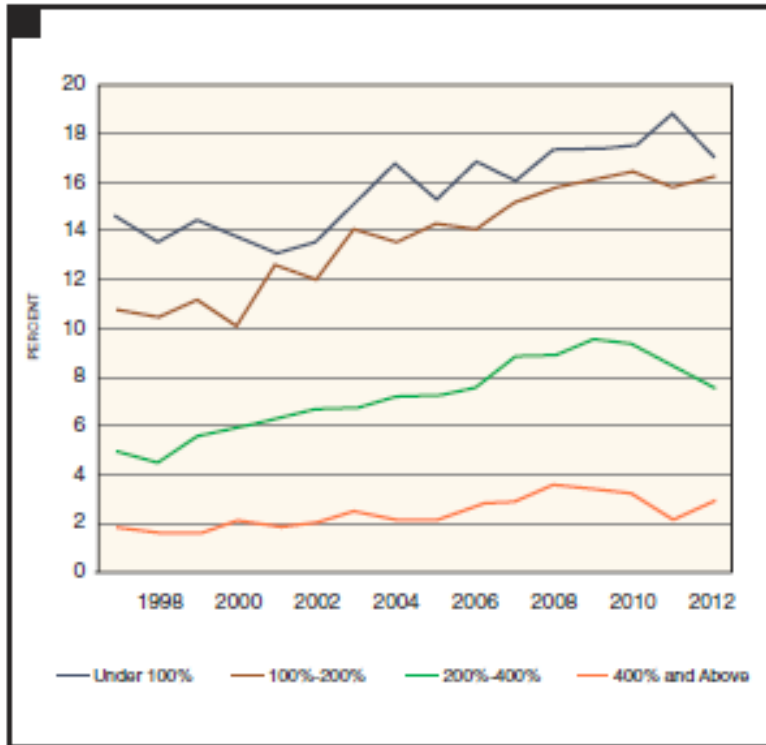


Source: US Census Bureau.*

Source: State of The Union, The Poverty and Inequality Report 2014, The Stanford Center on Poverty and Inequality

With those who are poorer having to forego needed medical care (the lines in the following chart correspond to income as a % of the poverty level):

FIGURE 10. Percentage of Adults in the United States who *did not* Receive Medical Care (Foregone Care) Due to Cost by Poverty Level Category, 1997-2012.



Source: National Health Interview Study (<https://www.hhs.gov/nhis/>).

Source: State of The Union, The Poverty and Inequality Report 2014, The Stanford Center on Poverty and Inequality

Those with lower incomes report poorer health:

FIGURE 2. Percentage of People Reporting Poor or Fair Health, by Poverty Level Status, 1997-2012.

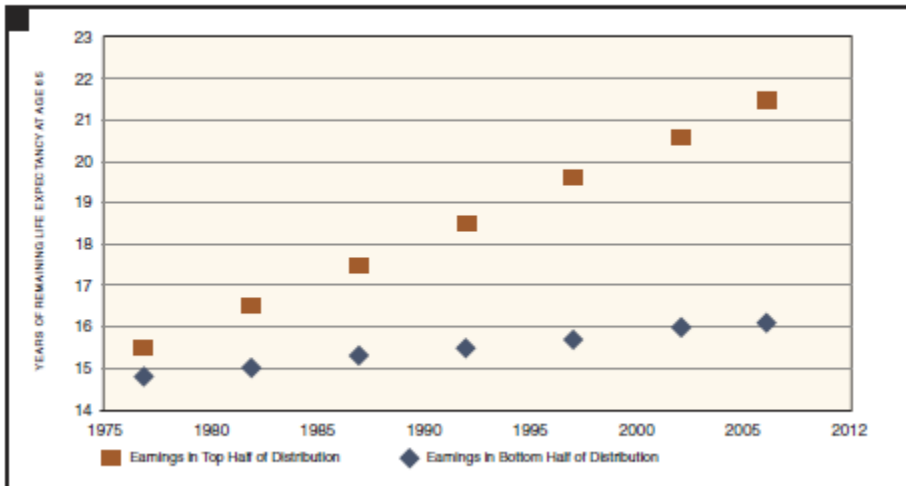


Source: National Health Interview Study (<https://www.hhs.gov/nhis/>).

Source: State of The Union, The Poverty and Inequality Report 2014, The Stanford Center on Poverty and Inequality

Die at a younger age:

FIGURE 1. Additional Years of Life Expectancy at Age 65 for Men Covered by Social Security, by Year and Lifetime Earnings Group.

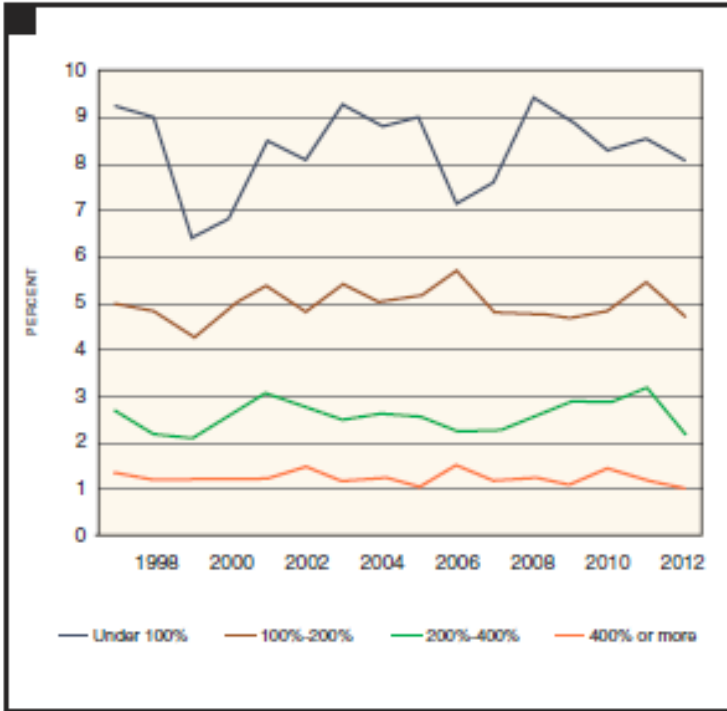


Source: SSA Working papers.⁴

Source: State of The Union, The Poverty and Inequality Report 2014, The Stanford Center on Poverty and Inequality

and disproportionately experience psychological distress:

FIGURE 4. Percentage of Adults Age 18 and Over who Experienced Serious Psychological Distress During the Past 30 Days by Poverty Level, 1997-2012.



Source: National Health Interview Study (<https://www.hhs.gov/nhis/>).

Source: State of The Union, The Poverty and Inequality Report 2014, The Stanford Center on Poverty and Inequality

Hopefully the Affordable Care Act will begin to redress some of these healthcare inequities, recognizing that a Medicare-for-All system is needed to create an effective health care system in this country.

We have much to do to reverse the tide of inequality that has swept our country since the early 1980s.