

CONCEPT: INCOME INEQUALITY IN THE USA AND WORLDWIDE

- **Income inequality** – the different levels of income earned across households.

□ Income inequality is a relevant economic issue: “The rich are getting richer, and the poor are getting poorer.”

Income Inequality in the United States			
Annual Income	Percentage of All Households	Annual Income	Percentage of All Households
Under \$10,000	7.1%	\$35,000 - \$49,999	14.0%
\$10,000 - \$14,999	5.8%	\$50,000 - \$74,999	17.9%
\$15,000 - \$24,999	11.8%	\$75,000 - \$99,999	11.9%
\$25,000 - \$34,999	10.9%	Over \$100,000	20.5%

Source: U.S. Census Bureau

□ The United States is not the only culprit. Some countries have more drastic income inequality than the USA.

Income Inequality Around the Globe			
Country	Ratio of Income Received by Highest 20% to Lowest 20%	Country	Ratio of Income Received by Highest 20% to Lowest 20%
Bolivia	21.9%	Germany	4.5%
Brazil	17.4%	France	4.4%
Thailand	15.2%	Ireland	4.2%
Paraguay	15.0%	Sweden	3.7%
United States	14.8%	Japan	3.0%

Source: World Bank, Eurostat, and Statistics Canada