The IPS Program on Inequality and the Common Good distributes this data chart pack of major economic inequality statistics. We frequently update it based on changing data, so check back with us regularly.

For more information about our work, see www.ips-dc.org/inequality and www.extremeinequality.org.

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Percentage of U.S. total income in 1976 that went to the top 1% of American households: 8.9.

Percentage in 2007: 23.5.

Only other year since 1913 that the top 1 percent's share was that high: 1928.

Combined net worth of the Forbes 400 wealthiest Americans in 2007: $1.5 trillion.

Combined net worth of the poorest 50% of American households: $1.6 trillion.

U.S. minimum wage, per hour: $7.25.

Hourly pay of Chesapeake Energy CEO Aubrey McClendon, assuming an 80-hour workweek: $27,034.74

Average hourly wage in 1972, adjusted for inflation: $20.06.

In 2008: $18.52

Income Facts

Income includes things like wages, salaries, interest on a savings account, dividends from shares of stock, rental income, and profits from selling something for more than you paid for it.

Median household income in 2008 was $50,303, according to Census data. Half of American households had income greater than this figure, half had less.

Between the end of World War II and the late 1970s, incomes in the United States were becoming more equal. In other words, incomes at the bottom were rising faster than those at the top. Since the late 1970s, this trend has reversed.

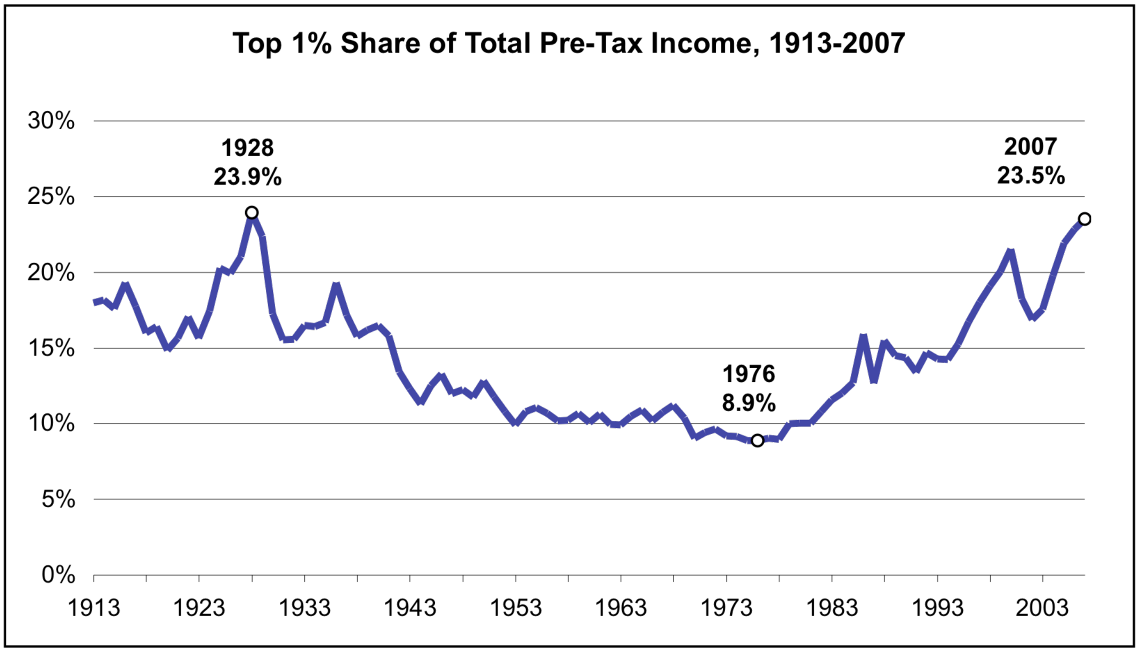
For example, data from tax returns show that the top 1% of households received 8.9% of all pre-tax income in 1976. In 2007, the top 1% share had more than doubled to 23.5%.

There is reason to suspect that this level of income inequality is dangerous to our economy. The only other year since 1913 that the wealthy claimed such a large share of national income was 1928, when the top 1% share was 23.9%. The following year, the stock market crashed, which led to the Great Depression. After peaking again in 2007, the U.S. stock market crashed in 2008, leading to what some are now calling the "Great Recession."

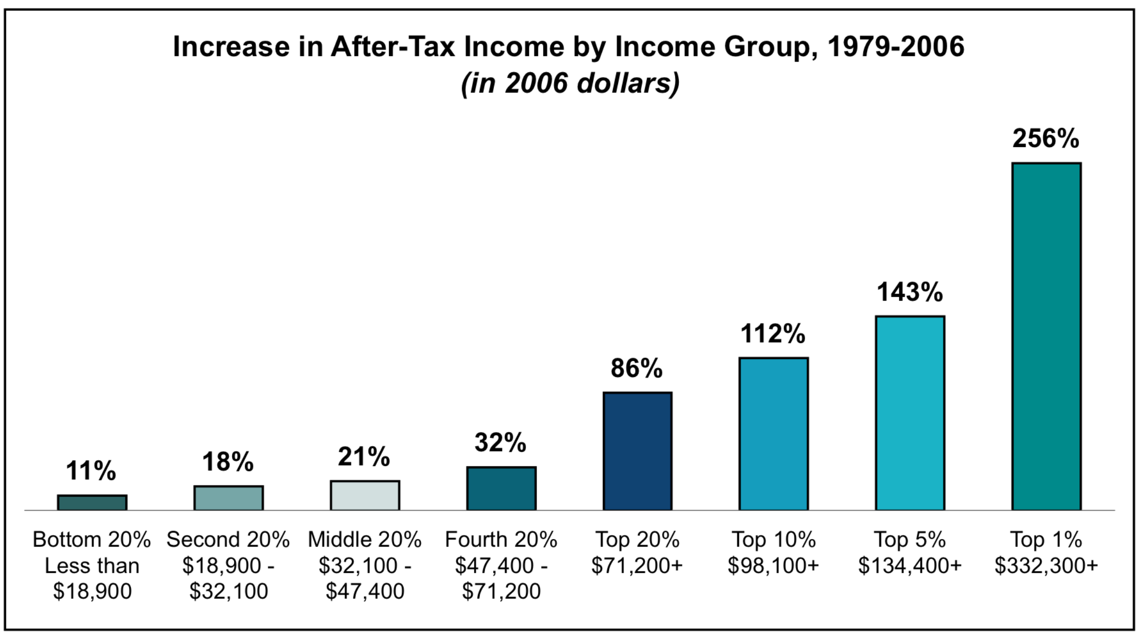
Between 1979 and 2008, the top 5% of American families saw their real incomes increase 73%, according to Census data. Over the same period, the lowest-income fifth saw a decrease in real income of 4.1%.

In 1980, the average income of the top 5% of families was 10.9 times as large as the average income of the bottom 20 percent, according to Census data. In 2008, the ratio was 20.6 times.

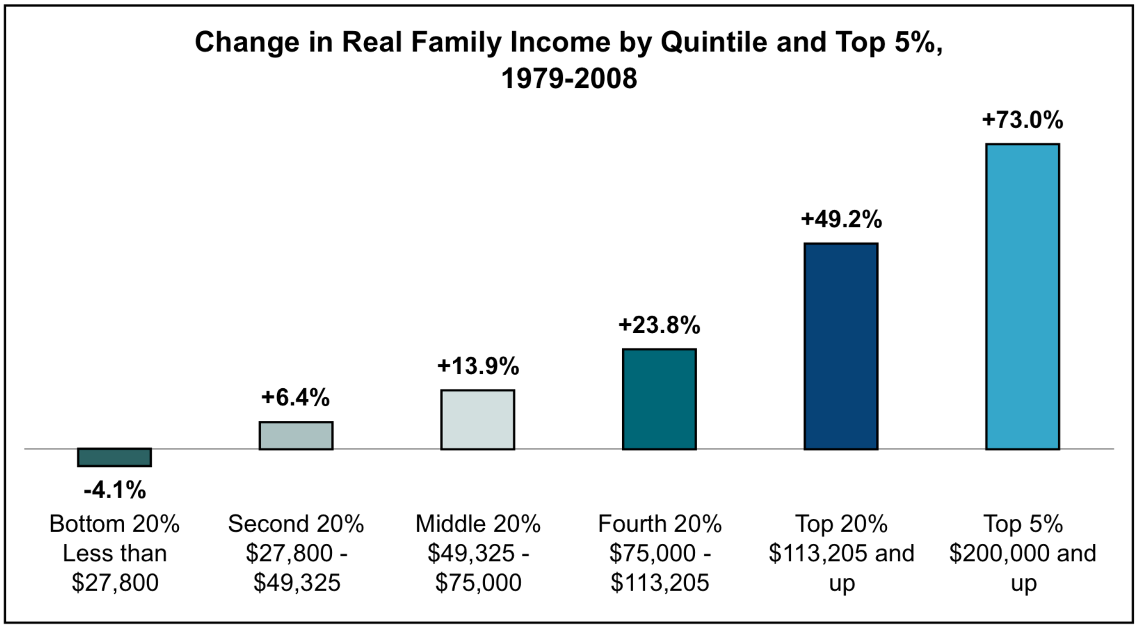
The current recession has hit incomes hard across the board. Median household income declined 3.6% in 2008, the largest single-year decline on record. Adjusting for inflation, incomes reached their lowest point since 1997. (Center on Budget and Policy Priorities analysis of Census data)



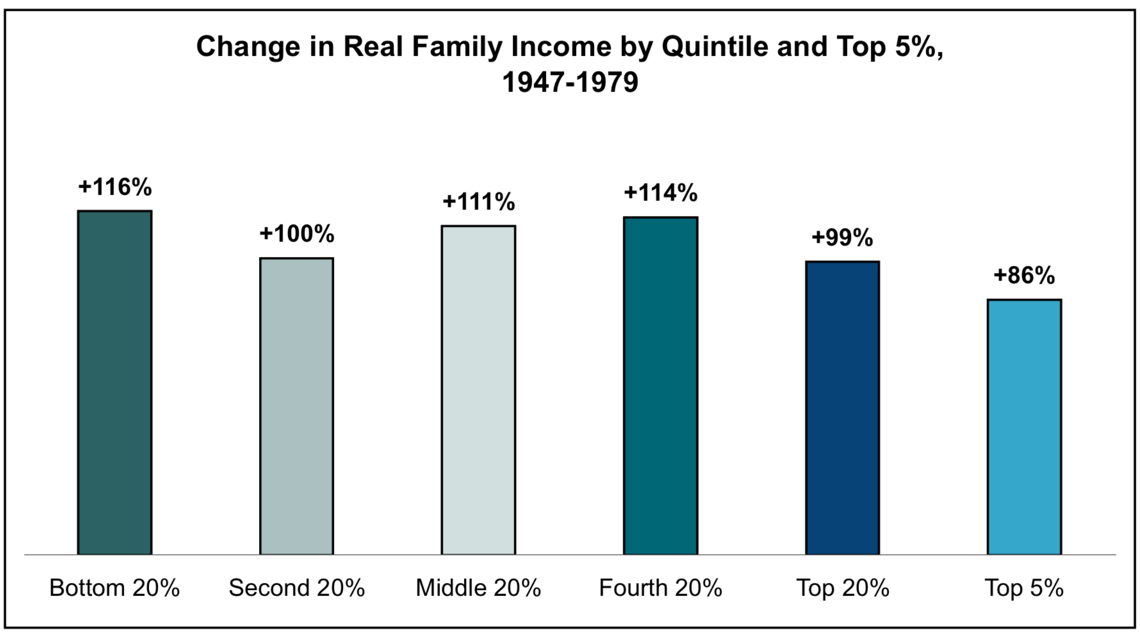
Source: Thomas Piketty and Emmanuel Saez, "Income Inequality in the United States, 1913-1998," Quarterly Journal of Economics, 118(1), 2003. Updated to 2007 at http://emlab.berkeley.edu/users/saez.



Source: Congressional Budget Office, "Average Household After-Tax Income," Data on the Distribution of Federal Taxes and Household Income, April, 2009.



Source: U.S. Census Bureau, Historical Income Tables, Table F-3 (for income changes) and Table F-1 (for income ranges in 2008 dollars).



Source: Analysis of U.S. Census Bureau data in Economic Policy Institute, *The State of Working America 1994-95* (M.E. Sharpe: 1994) p. 37.

Wealth Facts

Wealth is equivalent to "net worth," which is equal to your **assets** minus your **liabilities**.

Examples of assets include checking and savings accounts, vehicles, a home that you own, mutual funds, stocks and bonds, real estate, and retirement accounts.

Examples of liabilities include a car loan, credit card balance, student loan, personal loan, mortgage, and other bills you still need to pay.

Median net worth in 2007, the latest year for which figures are available, was $120,300. Half of American households had net worth greater than this figure, half had less.

Net worth is even more unequal than income in the United States.

In 2007, the latest year for which figures are available from the Federal Reserve Board, the richest 1% of U.S. households owned 33.8% of the nation's private wealth. That's more than the combined wealth of the bottom 90 percent.

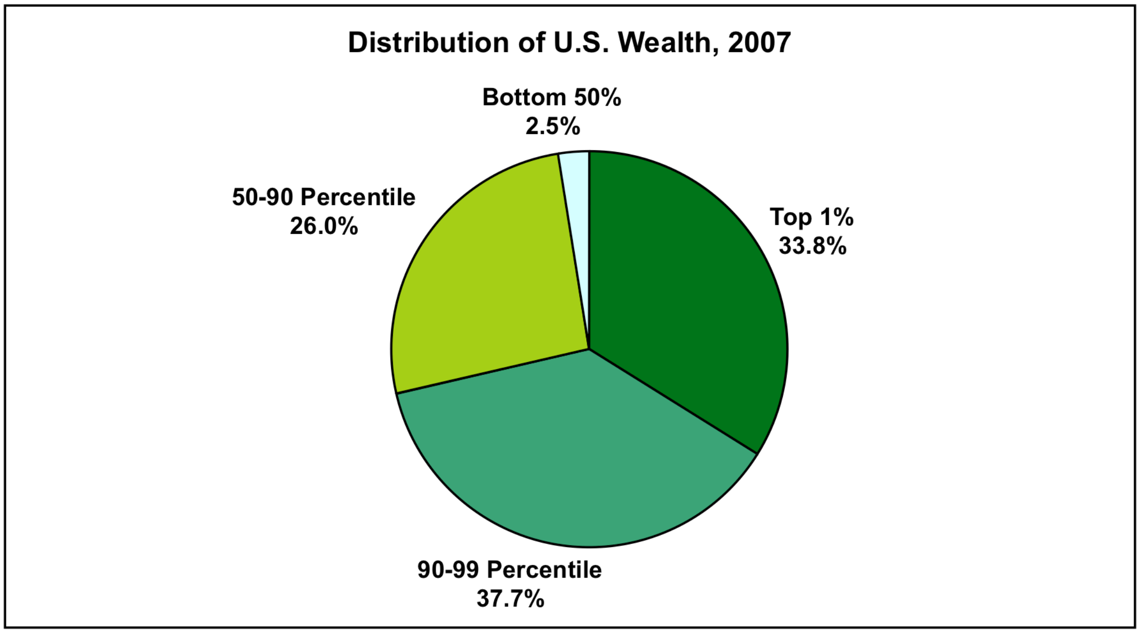
The top 1% also own 50.9% of all stocks, bonds, and mutual fund assets.

Retirement accounts like 401(k)s are more equally distributed. The top 1% owns only 14.5% of all retirement account assets, while the bottom 90% owns 40.5%.

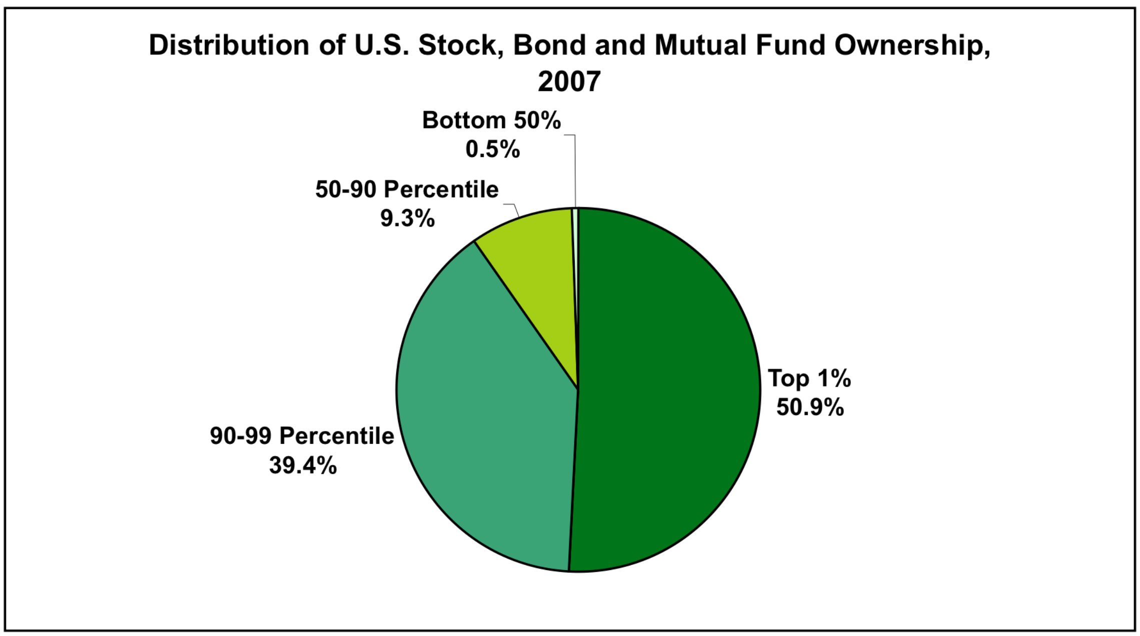
The total inflation-adjusted net worth of the Forbes 400 rose from $502 billion in 1995 to $1.6 trillion in 2007 before dropping back to $1.3 trillion in 2009.

Net Worth is highly unequal when it comes to race. In 2004, the latest year for which Federal Reserve figures are available, the typical white household had a net worth about seven times as large as the typical African American or Hispanic household.

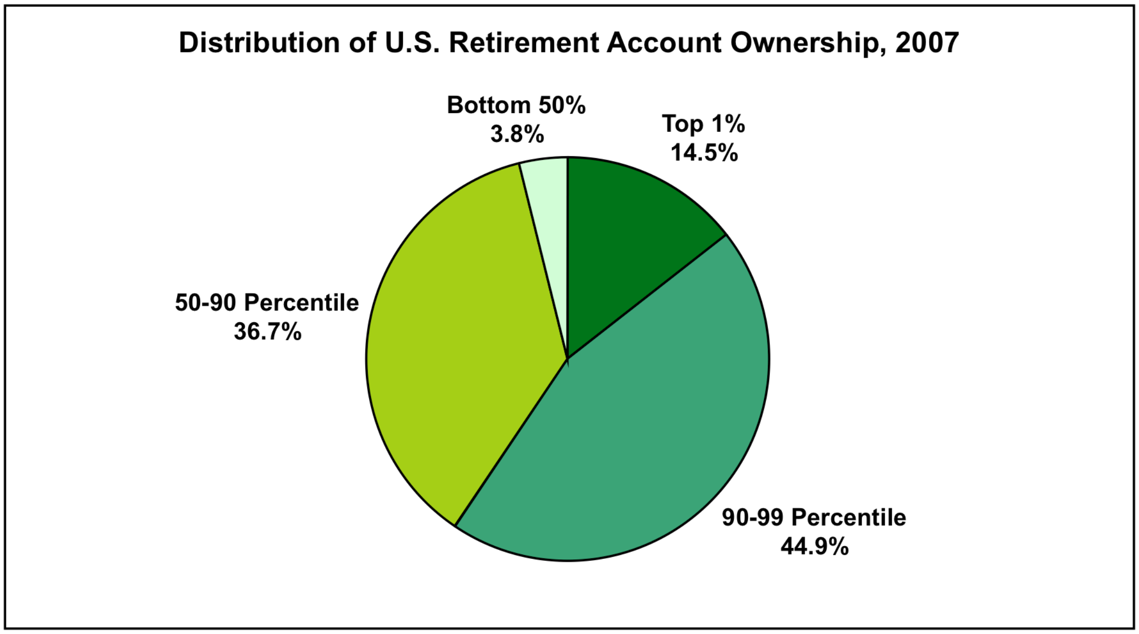
Since the 1980s, Americans have spent more and more of their income on expenses, leaving less for savings. The U.S. Personal Savings Rate declined from 10.9 percent in 1982 to 1.4 percent in 2005 before rising to 2.7 percent by 2008.



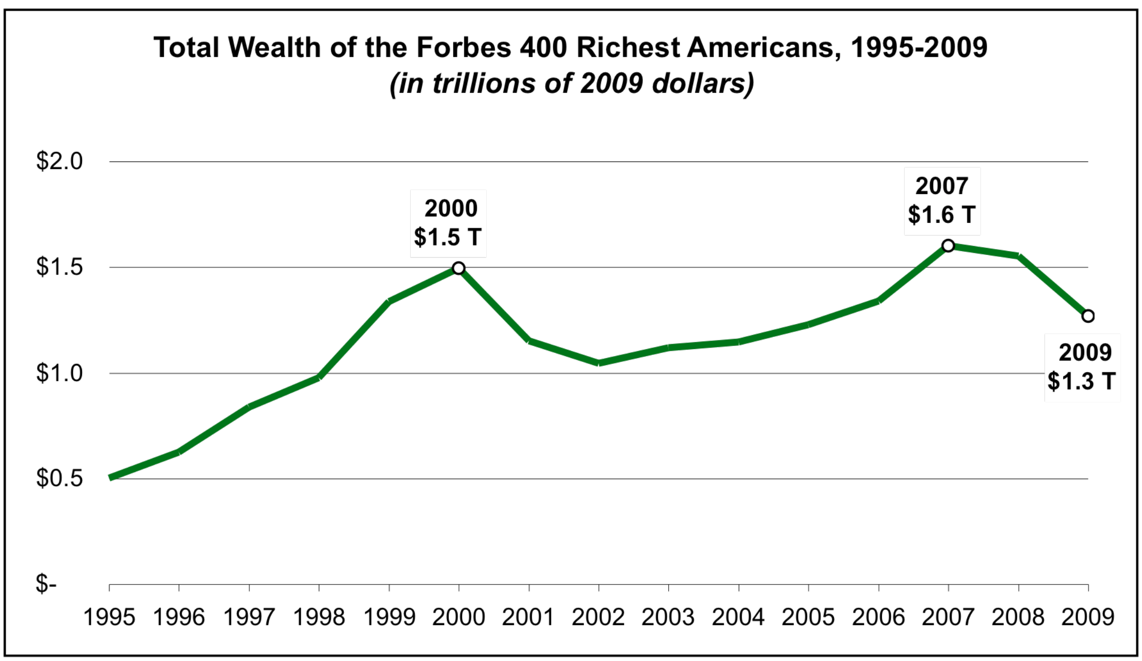
Source: Arthur B. Kennickell, "Ponds and Streams: Wealth and Income in the U.S., 1989 to 2007," Federal Reserve Board Working Paper, January 7, 2009, Figure A3a, p. 63.



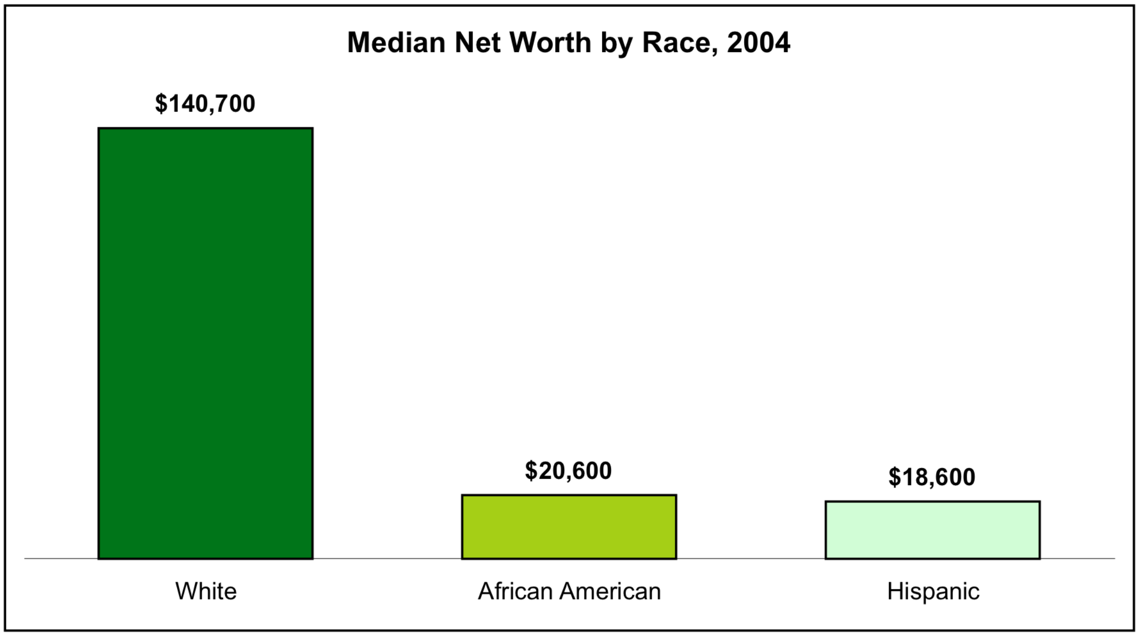
Source: Author's analysis of Arthur B. Kennickell, "Ponds and Streams: Wealth and Income in the U.S., 1989 to 2007," Federal Reserve Board Working Paper, January 7, 2009, Figure A3a, p. 63. Does not include assets held in money market mutual funds or tax-deferred retirement accounts.



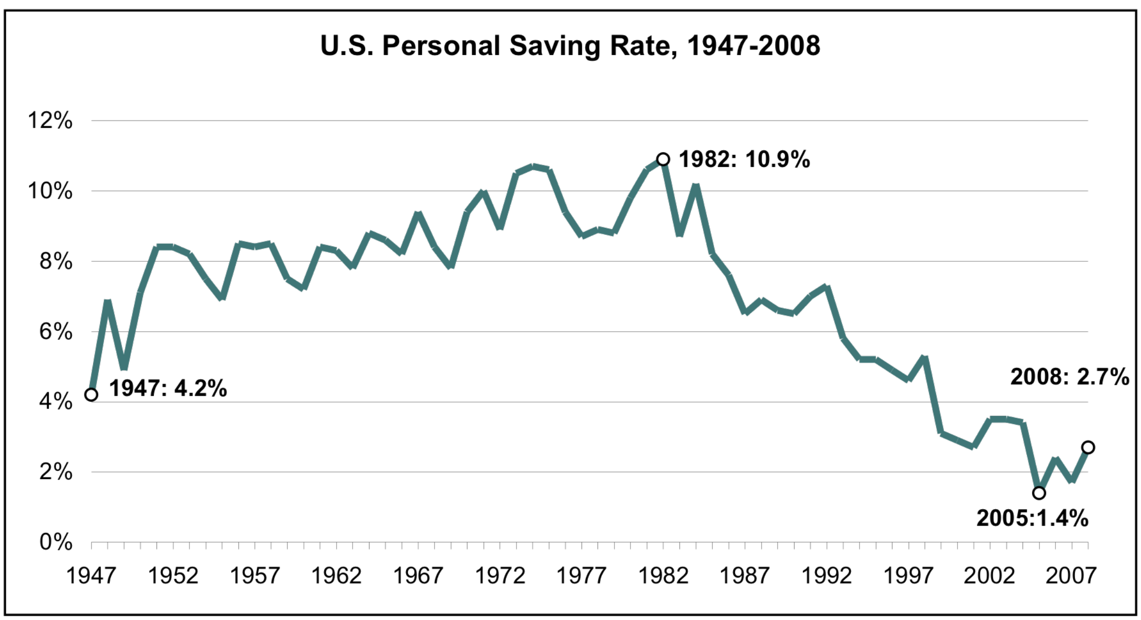
Source: Arthur B. Kennickell, "Ponds and Streams: Wealth and Income in the U.S., 1989 to 2007," Federal Reserve Board Working Paper, January 7, 2009, Figure A3a, p. 63. Covers assets held in tax-deferred retirement accounts.



Source: 1995-2008: Arthur B. Kennickell, "Ponds and Streams: Wealth and Income in the U.S., 1989 to 2007," Federal Reserve Board Working Paper, January 7, 2009, Table A1, p. 55. 2009: Forbes.com. Adjusted for inflation using CPI-U.



Source: White: Brian K. Bucks, Arthur B. Kennickell, and Kevin B. Moore, "Recent Changes in U.S. Family Finances: Evidence from the 2001 and 2004 Survey of Consumer Finances," Federal Reserve Bulletin, vol. 92 (February 2006), Table 3. African American and Hispanic: Arthur B. Kennickell, "Currents and Undercurrents: Changes in the Distribution of Wealth, 1989–2004," Survey of Consumer Finances Working Paper, January 30, 2006.



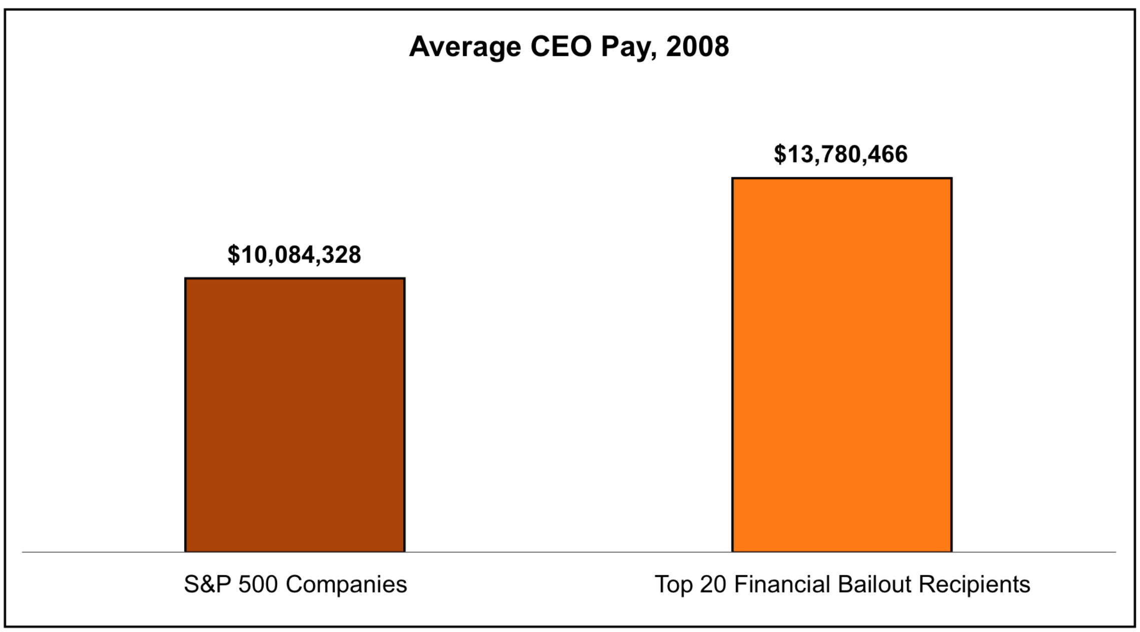
Source: Bureau of Economic Analysis, National Income and Product Accounts, Table 2.1, Personal Income and Its Disposition, line 34.

CEO Pay Facts

From 2006 through 2008, the top five executives at the 20 banks that have accepted the most federal bailout dollars since the meltdown averaged $32 million each in personal compensation. One hundred average U.S. workers would have to work over 1,000 years to make as much as these 100 executives made in three years. (Institute for Policy Studies, Executive Excess 2009)

Since January 1, 2008, the top 20 financial industry recipients of bailout aid have together laid off more than 160,000 employees. In 2008, the 20 CEOs at these firms each averaged $13.8 million, for a collective total of over a quarter-billion dollars in compensation. (Institute for Policy Studies, Executive Excess 2009)

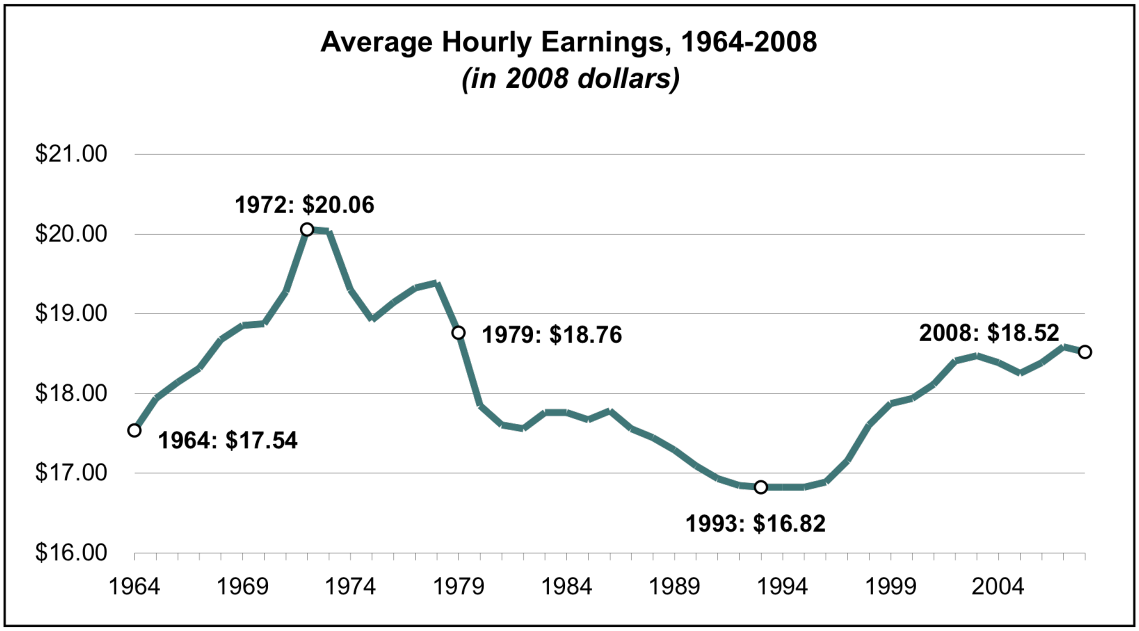
These Top 20 Financial Bailout CEOs averaged 85 times more pay than the regulators who direct the Securities and Exchange Commission and the Federal Deposit Insurance Corporation. These two agencies, many analysts agree, have largely lacked the experienced and committed staff they need to protect average Americans from financial industry recklessness. (Institute for Policy Studies, Executive Excess 2009)



Source: Institute for Policy Studies, Executive Excess 2009, p. 2.

Wage Facts

Between 1972 and 1993, the average hourly wage dropped from $20.06 to $16.82 in 2008 dollars. Since 1993, the average hourly wage has regained only a part of the ground lost, rising to $18.52. Adjusted for inflation, the average wage in 2008 was still lower than it was in 1979.



Source: Bureau of Labor Statistics, Current Employment Statistics, Average Hourly Earnings in 1982 Dollars. Converted to 2008 dollars with CPI-U.

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