
More on Income Inequality

Segment Length: 2:28 minutes; 3:19 minutes

Videos:

“Income Inequality is Real, It’s Personal, It’s Expensive, and It Was Created”

<https://www.youtube.com/watch?v=ik1y4ZNSjek>

“Stossel: The Working Rich Improve Our Lives”

<https://www.youtube.com/watch?v=MUGEMOEwo-w>

Guide:

The questions below will help students achieve a better understanding of the arguments made on either side of a contentious topic. Because these questions often touch upon statements made briefly in the videos, we recommend reading the questions before watching each video.

Students are encouraged to take notes during the videos, and it may be helpful for students to break into groups, each taking responsibility for only a few questions, before coming together for discussion.

Analysis Questions:

1. The first video, from the Economic Policy Institute, Robert Reich tells us that economic power has shifted away from low- and moderate-income families as a result of policy changes. What does he mean by economic power? How could the policies he describes have such an effect?
2. Jim Caruso admits that current economic practices cause unequal outcomes but maintains that all Americans can benefit from such a system. How might this be so?
3. Based on their comments in the two videos, how do Robert Reich and Jim Caruso believe the richest Americans gain their wealth at a greater rate than the rest?
4. What is the “zero-sum game mentality” that Jim Caruso criticizes?
5. Robert Reich contends that policymakers began to use high unemployment to protect the wealthy from inflation. How could unemployment and inflation be linked? Why does Reich say that keeping inflation low helps the rich in particular? Why would high unemployment affect low- and middle-income Americans more than the rich, as Reich asserts?
6. Robert Reich says tax rates on high incomes have been slashed since the 1960s, starving public services like schools and roads. How is this claim related to income inequality?
7. How was Steve Jobs underpaid, according to Jim Caruso?

8. The global economy, says Robert Reich, is arranged to protect corporate interests while doing nothing for American workers. How does the NAFTA trade agreement help corporations? Could one argue that such trade agreements actually do help workers?
9. John Stossel says the rich can only earn their wealth by making our lives better off (or by colluding with government). What is his argument? How might Robert Reich respond to that claim?