
The Middle Class

Videos:

“Why Is The American Middle Class Shrinking?”

<https://www.youtube.com/watch?v=ufpsxQwPP1Y>

(3:51 minutes)

“Why the Middle Class is Better Off Than You Think”

<https://www.youtube.com/watch?v=6Z20Wg19P6Q>

(4:57 minutes)

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. What are the opposing ideas in these two videos?
2. Should one of the arguments we heard carry more weight than the other? If so, which one? Why?
3. In the Reason video, Russ Roberts talked about different measures of inflation. What is inflation?
4. The presenter in the AJ+ video said, “[T]he American dream relies on the one thing this country is killing: the middle class.” What did she mean by this?
5. The Reason video argued that when compared to past decades, people in the middle class and below now have more access to cheaper, high quality consumer goods like cars and computers. Is this important when measuring the state of the middle class? Why/Why not?
6. The AJ+ said the decline of union membership is a major factor in the decline of the middle class. What is a union?
7. The voice over in the Reason video said, “Yet because technological advances are difficult to quantify, they’re generally ignored.” What did he mean by this?
8. The AJ+ video said that when Ronald Reagan fired striking air traffic controllers, it “put the U.S. government squarely on the side of management.” What does this mean?
9. Russ Roberts presented a thought experiment: a middle class American can keep their current income and shop at 1973 prices, but they can only buy goods and services that were available

in 1973. He asked, “Is that a good deal?” What do you think? Would you take this deal? Why/Why not?

10. The AJ+ video argued that the American middle class is hurt when companies outsource work to other countries, such as importing cheaper goods. Are there any benefits to importing cheaper goods to America? Does it help the middle class in any way? If so, how?
11. In regards to the way some people compare economic data from the past to current data, Russ Roberts said, “[I]t’s going to look like the rich got richer, but it isn’t true if they’re not the same people.” What did he mean by this?
12. The AJ+ video argued that lobbyists hurt the middle class. What are lobbyists?
13. Russ Roberts said that when you study people as individuals, you find that poorer people have the largest economic gains over time. Does this disprove the saying “the rich get richer and the poor get poorer”? Why/Why not?
14. The AJ+ video argued that lobbyists hurt the middle class, and Russ Roberts identified cronyism as a problem. Is there common ground here?
15. These videos touched on other topics featured in our Both Sides of the Issue series. You can delve deeper with these entries:
 - 15a. Stimulus and Inflation: <https://stosselintheclassroom.org/both-sides-stimulus-and-inflation/>
 - 15b. Inflation Revisited: <https://stosselintheclassroom.org/both-sides-inflation-revisited/>
 - 15c. Digging Deeper on Income Inequality: <https://stosselintheclassroom.org/both-sides-digging-deeper-on-income-inequality/>
 - 15d. “Buy American, Hire American”? <https://stosselintheclassroom.org/both-sides-buy-american-hire-american/>
16. Did you have an opinion of the state of the middle class before watching these videos? If so, what was it? Has your opinion changed? If so, how? What did you learn from either video that affects your views on this topic?
17. What could you learn about the state of the middle class that might affect your view of this debate?
18. What else would you like to learn about the middle class?