

Inequality for All

Students at Berkeley have to pay thousands of dollars in tuition to sit in on Robert Reich's courses, but this morning you get to hear his uniquely entertaining and insightful thoughts on the importance of the middle class to our economy for free for the minimal cost of attending Mr. Davey's class.



Why is some inequality tolerable or even good? Some income inequality is inevitable; capitalist systems use financial reward as the primary incentive to work hard and be inventive. So why worry about income inequality at all?

What are the three questions that Robert Reich wants to answer regarding inequality?

- 1.
- 2.
- 3.

Take Additional

As You Go Here:

why is it

The top 400 families make more than the bottom _____ % of American people.

Notes

Two economists did a longitudinal study of inequality. What did they find and significant?

Consumer spending is _____% of the economy. Why is it that the middle class – not the wealthy – are the true “job creators”?

Is there such thing as a “free market” anywhere? _____ What concerns Reich about this?

Productivity should equal wage increases but what happened in the late 1970s to change this?

Amazon.com is a _____ industry? (note term not in video)

What real changes has globalization made? Give examples from the film.

_____ % of Americans born into poverty will never get out versus _____ % in Denmark and _____ % in the UK. Note in America 15% are in poverty and 21.8 of children under 18 while in Denmark only 6% are in poverty.

Reich refers to policies in place from 1947-1977. What were the defining economic factors of these prosperous years of great prosperity?

Describe the virtuous cycle:

DID YOU KNOW?

Investing in education

Since 1995, college tuition has soared over 500%, putting college out of reach for many.

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What groups are the winners and losers in today's economy? Explain:

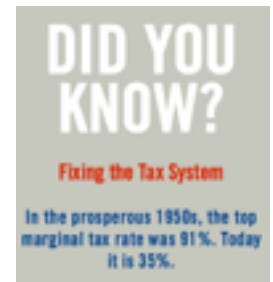
How did the American workers continue to spend after the great recession of the late 1970s early 80s?

- 1.
- 2.
- 3.

The middle class dealt with wage stagnation for decades, so why is it a problem now?

Explain the argument that income inequality a threat to democracy:

How does the current tax code, versus the one in previous decades, favor the wealthy and disadvantage the middle class?



Reich comments about the changing political landscape and polarization. Explain:

What role does the supreme court and large corporations play in income inequality discussion?

Mr. Davey loves the part of the film where Reich talks about his personal history (not surprising). Why did Reich decide to take on the issue of inequality?

What are solutions that Reich offered in the film? If we know how to fix the problem, why are we still stuck here?

Inequality For All is a political film with a strong argument. Would you say that *Inequality For All* has an agenda? If so, what is it?

Write a paragraph summarizing your own opinion on the question of inequality: will increasing the minimum wage and raising taxes on the richest 1% help the middle class? Why or why not? How do you think these changes would affect your life and your economic situation?

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AP Students Only. As an FRQ Answer the following question (you can use research) after the film Robert Reich points out that economies don't just happen – governments create them. Create an Economy Report Card for the USA.

- i. How would you grade the U.S. government for the economy it has created from 1990 to present day?
- ii. What performance measures would you use? List at least 3.
- iii. What grade would you give for each of those measures and why?