

Global inequality essay sample

[Sociology](#), [Poverty](#)



Today, in the United States, the richest 400 Americans have more wealth than the bottom 150 million Americans combined (Reich). In other words, .00000127% of the people in the United States have more wealth than the bottom 47.7%. That is just astounding. When people talk about the top 1%, they are actually exaggerating the problem. Inequality is now a more serious matter than ever before. The issue however is not that we have inequality since it is inevitable to have some disparity in wealth in a free market society. The issue is that there is too much disparity in wealth which is growing. Consumer spending makes up 70% of the nation's economy, mostly by middle class Americans (Reich). With the gap between the rich and poor growing rapidly, the middle class is struggling to keep the balance it is supposed to and are starting to merge with the lower class portion of America. If America continues down to dig itself into the economic hole of wealth, the middle class will collapse. Workers are now paid less for their labor due to increased efficiency and technology advances and inflation continues to make goods cost more. People then fall into debt as they cannot afford the new, higher priced goods and this vicious cycle causes the middle class to shrink.

A possible solution to this complex problem is to tax the very rich because the idea that the wealthiest people invest a large portion of their money is an illusion. Clearly the richest people in our country, own an enormous portion of the wealth. In 2007, the richest 1 percent took home 24% of the nation's income (The United States of Inequality). In politics, the main argument for decreasing taxes on the rich is that if you tax the rich, they will not invest as much into the economy and the economy will then begin to

decrease in productivity. However this is not the case. Some of the wealthiest people do not even spend much of their money but instead save it, keeping money out of the economy. In a documentary called “ Inequality for All”, Robert Reich discovers this when he interviews several wealthy people. So because the truth is that the wealthiest people do not give back enough, it seems logical to tax them in order to gain the proper amount of revenue from them.

Income inequality is an issue everyone needs to be aware of. The distribution of wealth in society continues to gravitate quickly to only a small group of people. In a TED talk with Richard Wilkinson, Wilkinson shows how we relate to each other economically is no longer based on National GDP but instead on how we compare in our communities. He also refers to how in nations with less income inequality they experienced a higher quality of life, decrease in violence, and people felt they could trust each other more. If we want to improve our economic well being and our overall quality of life, then we must solve this complex problem of income inequality.