

# Economic equality essay



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The growing economic inequality in the United States is an ongoing issue and over the years has changed. According to past studies done by the US Census Bureau changes in earnings distributions have had a huge effect on this inequality. Just take a look at some of the people in the fields where you work or maybe family members work and the income inequality is very evident for many different reasons. With help of studies done by professionals and my own experiences we will pinpoint some of the ongoing issues of the reasons behind this inequality. Structural changes in the economy which translates into differences in wage premiums paid to workers with certain skills. " Barry Bluestone paragraph 5.

This research shows how someone who may be in the same field as another worker, but may not be as skilled as the other. This will cause the more skilled worker to have a better chance at making more money due to just that fact. In my experience in the manufacturing field I seen that many workers who were skilled did seem to move up the ladder, but sometimes the income scale was not raised to the maximum of the skills of the worker.

I have seen many times that you may have the skills but if the company can't give you economically what your skills are worth then that is the start of inequality. Also with in this same study it was found that women and women were remaining on the same level of changes throughout the years. " Over the years inequality for both men and women who were full time, year round workers grew consistent with income inequality. " Us Census Bureau.

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According to studies done by Business week the ratio between CEO and factory workers rose 42: 1. “ While the CEO’s income increased by 300% the federal minimum wage declined by 9. 3%” Executive excess, 2008. I will never be an equal income when you compare the two the bigger and upper management will always have the advantage, than a factory worker. Even if the factory worker moves in a higher position with the pay rate at what it is, it is still impossible that the incomes every fall under the same bracket.

Taxes have also had a definite affect on the economic inequality, according to studies done by Citizens for Tax Justice; they have graphs and number showing how the lower income pay more taxes once you even out the amount of money that the higher salary workers make. So the best estimates that can be put together from official government numbers show a little bit of progressivity. “ The details on those who earn millions of dollars each year are very hard to come by, because they can stash a large part of their wealth in off-shore tax havens in the Caribbean and little countries in Europe, starting with Switzerland.

And there are many loopholes and gimmicks they can use, as summarized with striking examples in Free Lunch and Perfectly Legal, the books by Johnston that were mentioned earlier. For example, Johnston explains the ways in which high earners can hide their money and delay on paying taxes, and then invest for a profit what normally would be paid in taxes. ” So in other words the bigger companies have capabilities to in my opinion cover up things that they should be paying taxes on.

While the person who according to the studies that makes only \$12,000 a year has to continue to pay at 15% of their annual income to taxes. With that being said with this income level even if you wanted to invest and have your assets under cover from the government realistically that would be impossible, because you do not have enough resources from the beginning to even do that. So when you have this on top of already making a low salary and consider this also that the household size, if you have a big family and make this \$12,000 a year the government gets 15%, how can they even expect equality?

Just look at the ratio you can't raise a family with this, so what or how with the incomes ever equal out. Through all the research and reading of many articles for me I have found that the main reasons that there will always continue to be income inequality in the United States is because of the distribution of how taxes and salaries are placed within the work force. When you have someone who is income wise a lot better off than someone who makes half of that then of course they will have more access to better resources and different way of managing what they have.

I also think that even if you do not have many resources available to you because of the income inequality, you as a person have the opportunity to make the best out of what you do have and take small steps to rise up the ladder. There are many ways to go with such a vast subject; I found it very difficult to choose the major ones. Even with all the articles and keeping it within the studies, one has their own opinion of what caused income inequality, and me personally I think there are many to blame for the

inequality standards that all American people have, and whether you are wealthy or not we are all equal.