Inequality for All (Robert Reich)

Viewing Questions

Please take detailed notes that you can later use when you take the quiz.

Access: <https://www.youtube.com/watch?v=zvAFPHLFMa0>

Please download this graphics package so you don’t have to backtrack in the documentary: <https://vimeo.com/76160300>

Of all of the developed countries, which one has the most unequal distribution of income?

What has the trend in real wages for a typical male workers in the United States since 1978?

What were average earnings of the top 1 percent of earners in 1978? At the time of filming (2013)? (note that all are inflation adjusted)

“\_\_\_\_\_\_\_\_\_\_\_ people have more wealth than just over half of the US population.

What do the years 1928 and 2007 have in common, in terms of income distribution? (what was share of top 1%?) What happened in the broader economy after both of those years?

Given the realities of income rising to the top of the distribution in both of the above time periods, what did the middle class do to maintain living standards?

Regarding the pillow factory owner: How many pairs of jeans do you need? Pillows? What is his point?

Reich: The rich spend too much or too little of what they earn?

The rich “invest” some of their money in speculative instruments. Give two examples.

View the graph “Productivity and Wages”. What keeps rising, and what stagnates?

One thing that Reich could have emphasized is that if wages had continued, after the early 1970s, to follow productivity, they would now be more than $100,000 per production worker on average! (and most of them do not have college degrees)

In the documentary, Reich gives four reasons why productivity kept rising but wages did not. List each.

The two major underlying issues are two inter-related things:

The case of the iPhone: where does the money actually go: (%)

Japan:

United States:

China:

Germany:

South Korea:

What two factors have reduced the number of factory jobs in the United States?

Amazon has created jobs in the Pacific Northwest, but overall how has the company affected total jobs in the United States? Is Amazon a “job creator”? Explain. (instructor question)

Reich points out that automation transformations have reduced worker wages. (true or false) Note that this helps explain the divergence of productivity and wages that we saw in an earlier graph.

See graph showing changed worker wages of bank tellers and meat packers. Which group saw the largest changes in wages?

As income inequality has risen, what has fallen? Hint: two word answer, first letter of each word is u, m.

In the US, what share of kids born into poverty won’t get out? In Denmark? Overall, how does the US compare with Great Britain in this question?

Reich: “So who should we emulate”? Summarize and explain his answer.

The Great Prosperity began in what year, and ended in what year?

Summarize graph of union membership trends during the Great Prosperity.

During that period, to what change does Reich partially attribute this change? But what flattened out by the late 1970s?

What five countries continued increasing investment in higher education and skill building in the past few decades, since the Great Prosperity in the United States (given as examples)?

At about 38 minutes into the documentary, Reich gives one reason that corporate profitability rose late in the late 1980s and 1990s. Summarize.

Calpine Geothermal brought in what type of consultants to increase profits?

Calpine workers used what kinds of arguments to justify the company cutting their wages?

Reich: “Big companies are designed not to generate \_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_ in the US. Big companies are designed to make \_\_\_\_\_\_\_\_\_\_\_\_\_\_.”

Why didn’t the US respond to the great regression that started around 1980 – to take bold steps to make the economy work for just about everyone? To answer this, Reich points out that we figured out three ways to cope with flattening or declining incomes without reducing our standard of living, and pretty much we went through these one by one, until we no longer had other remedies. List and explain briefly each of these, in the order that they were utilized.

When the middle class does not share in the economic gains, the result is a \_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_ cycle.

People who are worried about widening inequality are also worrying about something else: the undermining of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, with so much wealth ending up at the top.

Over time there is an inverse relationship between top tax rates and \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_.

With money comes the capacity to control politics.

At around 56 minutes Warren Buffet, one of the world’s richest men, points out that his tax rate was \_\_\_\_\_ %, while those working in the rest of his office had tax rates of \_\_\_\_\_\_\_ % (in both cases round to the nearest whole number)

What is Buffet’s point?

Describe relationship between state funding of higher education and college tuition rates.

Characterize changing relationship between Robert Reich and Fox News.

Reich’s first job was with what presidential administration, and what political party was that president a member of?

Summarize lesson made from the Robert Reich and Alan Simpson.

Association between political polarization and economic inequality.

2010: What was the Citizens United case about, and what was its result?

Reich points out the contrast between the values we share and the reality we live in. This is the fundamental foundation for \_\_\_\_\_\_\_\_\_\_\_\_ change.

Who does Reich want to protect? Explain how he illustrates this.