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UN Sustainable Development Goals: The Case of Inequality in the United States

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Abstract

Among the United Nation's 17 Sustainable Development Goals, number 10 is titled Reducing Inequalities, a factor of particular importance to the United States given that it is on the verge of becoming a highly unequal country. Looking at nations under this category, the economic prospects as well as the moral quandary of such a designation, this project aggregates and analyzes current literature on the history and causes of inequality within the United States to propose several options for reducing the level of inequality in the future. These solutions are rooted in the variations in inequality within the country such as race and gender and include select statistical analyses such as ANOVA and linear regression as well as information from current literature. Through the inclusion of those factors, inequality is found to be both heavily present and specifically biased. This is especially problematic with the inclusion of unfair inequality, which harms economic opportunities for citizens in addition to negatively impacting economic growth through increased poverty. Despite the large variation in the macro-level relationship between economic growth and inequality, there exists regions that contain examples which illustrate these more micro-level effects. Examining these in conjunction with the influence of both race and gender demonstrates the need for programs designed for specific regions and groups within the United States in addition to efforts to reduce the spread of inequality nationwide.

Keywords: Economics, Inequality, United States

1. Introduction

The United Nations Sustainable Development Goals are a collection of 17 separate targets to transform the world into a more peaceful and prosperous world by 2030. These new goals were enacted following the termination of the Millennium Development Goals in 2015. Through progress on the previous list of goals as well as development efforts around the globe, there has been significant inroads made on several of the current goals such as poverty. Goal number 10, titled Reducing Inequalities, has been one that is much harder to address; especially in the United States. This goal is focused on reducing inequality in all forms but is focused particularly on wealth and income as poverty is reduced (Reduce Inequalities Within and Among Countries). Reductions in poverty, while admirable, when accompanied by or offset by increases in inequality in either income or any other form, create an environment wherein sustainable development can hardly grow. The case of the United States, while a developed nation, has levels of inequality that are near those of highly-unequal developing nations.

While global inequality is increasing worldwide, the rate at which it is doing so is vastly different for each country. Unfortunately, and the reason for the concentration on the United States, the level at which inequality is increasing is significantly higher than those of other developed nations. This factor is not lost on economists, given the rather high Gini coefficient of 45, (a number that represents income distribution within a country with one being totally unequal) from the CIA (2016) estimates. Due to this, the U.S faces a rather unique situation requiring specific ideas to address its problems. This project seeks to address the reasons for this disparity between other developed countries and determine what could be potential pathways to achieving this goal within the timeframe of 2030.

The structure of this literature view evaluation of the situation in the United States, will begin with a thorough examination of current literature on the topic. This section will make up the bulk of the analysis which will then be followed by a discussion and the conclusions that can be taken away from the review of the literature. This section will go through each possible solution and the obstacles as well as how these relate to the obstacles and issues that have exacerbated the problem to the issue it has become today. Through a conglomeration of current literature on the topic, final remarks will address the complications in addressing the U.N. sustainable development goal 10 in the United States, especially with regard to the timeframe.

2. Literature Review

Current literature offers a robust analysis of the issues that have caused the United States and Europe to differ substantially both in their current levels of inequality as well as the growth rate. In a study by Manera, Navines, & Franconneti (2017), they conducted an analysis on 100 years of history from 1910 to 2010 and the rise and increase in inequality during this time period. Using the United States as the base-case scenario, there are clear trends illustrated through that timeframe.

Looking at the contribution of the top 10% of earners within the U.S., Manera, Navines, and Franconneti found that it followed a trend. This trend saw that before the Depression, the contribution of the richest 10% and share of gross operating surplus to national income was at extremely high levels. Their findings coincide nearly perfectly with the implementation of Keynesian economic theory and then the subsequent removal of that theory and the policies during the Reagan and Thatcher neo-liberal era in the 1980's. The increase of inequality and the institution of the market as the center of society is corroborated with a paper by Kenneth R. Hoover shortly following its implementation (1987). At the beginning, the era before the Great Depression, inequality was at its highest in the U.S. until 2010 from which point it has only continued to increase.

Comparing this data to Europe (Germany, France, Italy, UK and Spain), the trend is somewhat similar. Both show that non-financial companies had a much higher rate of profit during the Keynesian era policies and that this was substantially reduced in conjunction with the rise in the wealth of the top 10% as in Figure 1. The profit did not disappear however, as the economies continued to grow but instead went to the financial sector which has become only larger as time has gone on and contributes much less to the overall productiveness of the economy. All countries experienced this shift, but the U.S. differs in that the unit cost of labor did not increase unlike in the all the other countries in the study. This lack of increase in the price for labor illustrates a key difference between the U.S. and Europe and will play a critical role in almost every aspect unique to the United States.

The U.S. in particular shows an increase of financialization and the lack of increase in labor costs, which has led to the conglomeration of wealth, particularly in the highest brackets of earnings, leading to its highest levels since the early 20th century. In a study using tax returns in conjunction with household macroeconomic balance sheets, Saez and Zucman determined that, in concrete numbers, "…the share of wealth owned by the top 1% families has regularly grown since the late 1970s and reached 42% in 2012. Most of this increase is driven by the top 0.1%, whose wealth share grew from 7% in 1978 to 22% in 2012…" (2016, p. 520). This substantial increase as well as the clear divide that it represents even among the highest wealth holders in the country signifies just how much the overall equality in the nation has changed.

Wealth inequality, being much larger than income inequality, represents the real burden on the United States. Unfortunately, this is exacerbated by the increasing income inequality in what becomes a snowball effect (Saez & Zucman, 2016). The incomes of the wealthy are saved at much higher rates than the average American's income which not only fails to spur on the economy but eliminates the ability of that money to move through to the pockets of average workers. Little has been done to work against these increases however, as America has another difference from some of the European nations where inequality is increasing much slower: political and ideological ideas that posit that inequality is in and of itself necessary and even beneficial.

These views have, over time, become much more common among both American economists and the overall political landscape of the country. In 2011, John Roemer, a professor at Yale University, wrote of the ideological and anti-governmental arguments essentially leading to what has occurred in the last few years within the country: "…the event of a right-wing populist movement growing in the United States to a dangerous degree has a nontrivial probability." (p. 78). While the political aspect of the movement is not of import, the policies and beliefs therein further escalate current inequality issues which are based on those arguments that inequality ignites innovation and that government intervention is always harmful and the potential impacts of government investment offer very little in terms of benefits (Roemer, 2011).

These findings only become of greater importance when the overall level of inequality in the U.S. is compared to that of the ideal level as determined in a very recent study by Risso and Carrera. Within, they determine that inequality is positively related to economic growth up to a level of Gini coefficient of 38.79. Beyond this point, inequality has negative impacts on the economic growth of an economy. Fortunately, the United States does lie above the threshold for positive impacts from research and development or innovation processes which was measured by the level of R&D spending as a percentage of GDP (2019).

In his examination of claims made by Canadian economist J.K. Galbraith in the 1950's, Brennan discovers that, while his ideas regarding the power of unions to self-replicate has failed over time, a large portion of his arguments still hold explanative power. However, Galbraith argued that union power countervails that of corporate power and enhances income equality while the opposite is true. Brennan, in his analysis compared these ideas to what has transpired since that time and found that through corporate consolidation and union decline, Galbraith's predictions and the subsequent rise in inequality has been in surprising accordance with his arguments (Brennan, 2016).

As inequality differs so substantially by location, any solutions or methods for reducing income inequality among others will require regional and even political considerations. In his study on inequality and economic growth on 3,109 counties within the United States, Bebonchu Atems found that growth and inequality differ of course by location, but even political affiliation created large and statistically significant differences. Results indicated negative, statistically significant relationships between growth and inequality in metropolitan and non-metropolitan areas in the Far West, Southeast, Southwest and Plains regions but positive, significant relationships among the Rocky Mountain and Mideast regions. Furthermore, economic growth and inequality are negative and statistically significant in conservative or red states while the opposite is true in blue states (2013). Atem's results illustrate the overall complexity of inequality especially in the United States with the variety of differences across the country.

While at first Atem's work may seem to invalidate the arguments that inequality has damaged the overall productivity and profit of the American economy, it actually corroborates the work of Manera, Navines, and Franconneti when combined with another study by Hussey and Jetter. In their study, they determine the prevalence and increases in "unfair inequality" or inequality due to non-responsible factors versus that of inequality due to responsible factors or "fair inequality". Responsibility factors are based on: hours worked, education, industry, marital status, number of children, and location. Non-responsible factors were identified as factors like race and gender, and these were found by finding the responsible Gini and then comparing it to the normal Gini and then determining the difference between the two which would then be the non-responsible Gini or unfair inequality (2017).

Unfortunately, this unfair inequality is increasing at an even higher rate in the U.S. than overall general inequality. In their study, the model indicated: "…that unfair inequality has increased even more than raw inequality since 1967. In relative terms, the raw Gini has increased by 15.6%, whereas the AG 5 is 23.9% higher today than in the late 1960s." (2017, p. 1155). This increase is a distressing figure, especially given that this increase is present for the entire country. Unfair inequality, unlike the inequality based on responsible factors, simply prevents individuals from working towards accomplishing their goals and damages their economic productivity. Additionally, this inequality, by damaging the prospects of those immediately affected as well as their current economic standing, significantly hurts the next generation as the unfair inequality will only be worse and they will be growing up in a household already hurt by these factors beyond their control.

Returning to the study by Cobb and Stevens, their findings that large firms allow for greater incomes and reduce overall inequality but gaining employment in larger firms often requires greater education or experience as opposed to the often less-rigorous screening processes available at smaller firms given they have less resources and employees. Factors that they found to be statistically significant corroborate the study by Atems as: "…the proportion of workers employed in manufacturing industries, the real minimum wage, and the percentage of Democrats in the state legislature are negatively related to income inequality." (2017). This reflects the importance that political affiliation has on overall inequality levels and even corroborates the study by Manera, Navines and Franconneti in that Europe has lower rates of inequality which could, at least in part, likely be explained by the political leanings of those countries. Furthermore, the number of workers in manufacturing indicates that there are less professional or white-collar workers in an area demonstrating the effect of attaining higher jobs through opportunity.

Taking into account race now in the levels of inequality in the United States, the reasons for the positive relationship between greater diversity in large firms increasing inequality need to be addressed. In their seminal study on the representation of Black Americans in the workforce, Cohen and Huffman found that African Americans suffer: "…underrepresentation relative to the pool of Nonmanagerial workers is much more common than that relative to the pool of managers. In other words, black workers are underrepresented in management generally relative to their numbers in the workforce." (2007, p. 190). This study also found that this effect concentrates Black Americans in certain firms and, most importantly, that larger firms and those with more managerial positions are more likely to show significant underrepresentation (2007). Considering this, it could be possible that this positive relationship between diversity and inequality could be in part due to the underrepresentation of minority workers which would push down overall wages of vulnerable groups while raising only a small portion of managerial income.

These results exhibit greater importance when the determinants for wage are considered. In a study conducted in 1989, the largest variations in pay were due to non-performance related factors such as age and position in a company as well as tenure rather than any sort of performance-based valuations (Brown and Medoff). This lack of importance in what are effectively responsible factors, represents what could potentially be explanations for the increase in inequality when diversity is increased as well as part of why unfair inequality is increasing at such high rates. More studies would need to be done to state anything conclusively but there appears to be some relationship between concentration in pay amongst smaller groups and the shutting out of lower-wealth individuals based on factors beyond their control.

3. Methodology

This study is grounded in both Keynesian economic theory as well as the more recent discussions on inequality by Thomas Piketty, positing both a focus on consumer spending as well as expansionary fiscal policy (2017). Ordinary Least Squares regression as well as Analysis of Variance provide indicators for the prevalence of unfair inequality within the United States as based in race, gender, and then the interaction between the two.

Given the large influence of time within any sort of economic model, time is expected to play a significant role in the growth rates and overall earnings of individuals of every category. However, if large enough unfair inequality is present, the influence of time will not be able to explain differences between the categories. To measure this, median weekly earnings were obtained from the U.S Bureau of Labor Statistics for each race category available as well as sex, this data was then aggregated to provide yearly breakdowns of income. For the OLS regression, data from the U.S Census bureau was obtained for mean income by year for race and sex.

To determine the validity of these measures, the residuals as well as quantile-quantile (Q-Q) plots were examined to ensure that the necessary assumptions were met for both ANOVA and OLS regression. Additional checks were made for overall normality as well as heteroscedasticity using both graphical measures such as a residual plot as well as the overall normal distribution of the residuals, indicating that assumptions for both measures were met.

4. Analysis

A one-way ANOVA analysis including the effect of time produces the following results:

Table 1. ANOVA analysis of race and time on mean income levels in the United States (1954 to 2017)

Tests of Between-Subjects Effects

Dependent Variable: Mean Income

Source	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	1.085E+11[a]	68	1595560731	106.200	.000
Intercept	1.686E+11	1	1.686E+11	11224.125	.000
Race	1.244E+10	5	2488362861	165.625	.000
Year	9.970E+10	63	1582554277	105.335	.000
Error	4161666335	277	15024066.19		
Total	3.446E+11	346			
Corrected Total	1.127E+11	345			

a. R Squared = .963 (Adjusted R Squared = .954)

While the R-squared and adjusted R-squared are inflated by the substantial influence of time, race is still highly significant and produces the following graph:

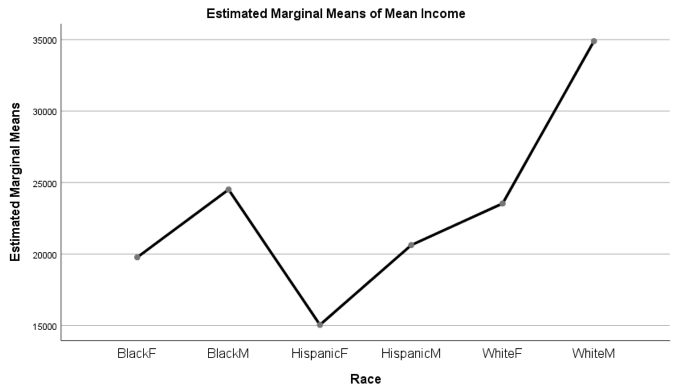

Figure 1. Mean income differences by race and gender.

To further clarify the effect of race, the use of linear regression with dummy variables removes the effect of time on the analysis and again demonstrates the effect of race. Additionally, it carries an adjusted R^2 of 18% which is considerable given the number of explanatory factors that contribute to income.

Table 2. Linear regression results using dummy variables in the place of race and gender. White male is the reference category (1979-2018)

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.	Correlations Zero-order	Correlations Partial	Correlations Part	Collinearity Statistics Tolerance	Collinearity Statistics VIF
1	(Constant)	46252.400	2178.825		21.228	.000					
	WhiteF	-14652.467	3081.323	-.339	-4.755	.000	-.004	-.281	-.262	.600	1.667
	BlackM	-13431.978	3081.323	-.310	-4.359	.000	.030	-.259	-.240	.600	1.667
	BlackF	-19519.311	3081.323	-.451	-6.335	.000	-.139	-.363	-.349	.600	1.667
	HispanicM	-16953.533	3081.323	-.392	-5.502	.000	-.068	-.321	-.303	.600	1.667
	HispanicF	-22534.267	3081.323	-.521	-7.313	.000	-.222	-.410	-.403	.600	1.667

a. Dependent Variable: Mean_Income

Reviewing the necessary assumptions for Regression results in the following Q-Q plots for each variable

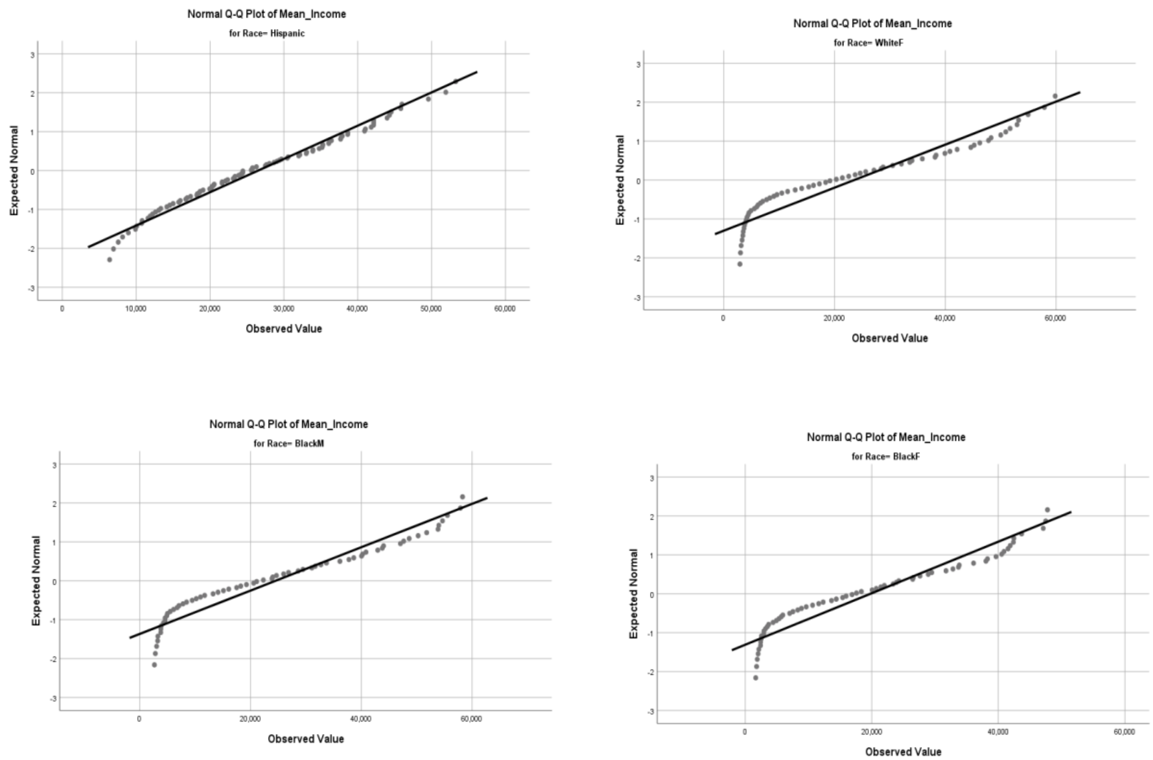

Figure 3. Selection of Q-Q plots for variables used in the OLS Regression. Note: Hispanic is aggregated to demonstrate the effect of running the regression based solely on race

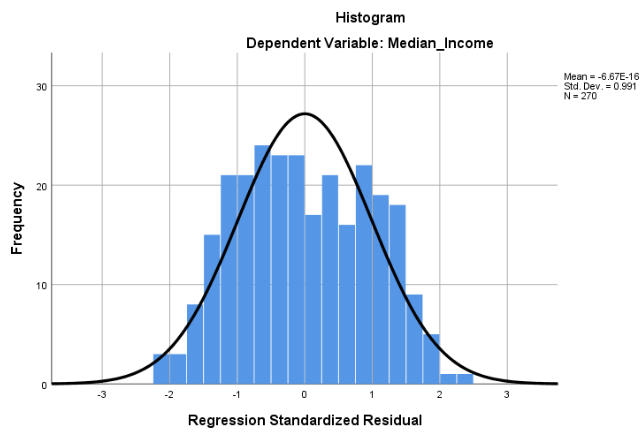

Figure 4. Histogram plot of the variable Median_Income used as the quantitative variable in the dummy variable OLS Regression

5. Discussion

As has been demonstrated by the preceding analyses, race and gender are a critical factor in the role of inequality in the United States. This is reinforced by an extensive study on the effects of gender and more specifically, race, within the United States on inequality, Chetty, Hendren, Jones & Porter found that these factors play a much larger role than simply producing those differences in income (2018). One finding in particular, "If black and white children have the same income distributions conditional on parental income, income disparities between the two groups would vanish in the long run regardless of their initial magnitude" (p. 1), illustrates the critical divide that exists between races wholly based on unfair inequality. Unfortunately, while Black Americans and Native Americans share similar income and wealth distributions, this upward mobility is not present among Native populations which means that there are other limiting factors and that change will likely be more difficult.

Combining this information with the data presented in Atem's study on inequality across counties, it becomes clear that the effects of the unfair inequality are pronounced by location. Looking at the southeastern part of the United States, where many states have much higher levels of African American populations, inequality is negatively related to economic growth. This likely is created by high levels of unfair inequality and is further exacerbated by the high presence of Republican leadership in these states, which also has a negative statistically significant relationship with economic growth (2013). All these factors combined then, present a rather abysmal outlook for citizens in these states, especially Black Americans, in that the lower growth is likely to only damage future opportunities and reinforce the current cycle.

Turning to the impact of gender, while the two-way ANOVA test demonstrated statistically significant differences in pay (.000), this does not account for the intricacies of the issue. In their study on fair and unfair inequality, Mandel and Semyonov did determine that inequality between men and women in terms of income, while still present, is much less significant than in years past with the private sector being much more unequal than the public sector and that the largest differences are explained by number of hours worked or labor supply than gender bias (2014). This finding is corroborated by the study on unfair inequality by Hussy and Jetter in that differences in gender are much less stark than that of race. These findings prove fortunate for the U.S. and show that while there are still differences in income, with the private sector lagging significantly behind, progress has been made.

Interestingly, while the public sector has had considerable gains in the area of female representation, the significant lag of the private sector is a rather stark difference and, with the trend towards equality lagging now, it is something that is unlikely to change (Mandel & Semyonov, 2014). The reasons for this inequality then, are partially illustrated in a study by Bono et al. where they found that when women were on track to attaining leadership positions, any negative characteristics they had played a much larger role in the future promotion decisions than men, and, more importantly, that subtle biases in judgement against the probability of failure have led to a withdrawal of mentoring and career support from upper managers for women (2017). These findings are corroborated by a paper by Simona and George which, through an agglomeration of several other studies on the participation of women in the private sector, found that while even when women make up the majority of a workforce, they tend to represent few leadership roles (2018). These findings together, can explain what is likely a not insignificant amount of the reasons for gender-based inequality in the United States.

Looking back to the ideal inequality threshold, the faster rate at which unfair inequality is increasing combined with racial differences still illustrate a rather bleak picture for inequality, especially considering that unfair inequality is increasing across the board. Combining these factors with the high level that the United States' Gini coefficient lies above the ideal threshold, further demonstrates the severe need for change in these areas (Risso & Carrera, 2019). Indeed, the most unfortunate factor about the unfair inequality is that with the negatively impacted economic growth due to general inequality, further increases and at what may be even faster rates of unfair inequality will likely occur.

6. Conclusion

With the continued rise in levels of inequality in the United States, the problems it presents will likely become more visible. This presents both a challenge and a reason for future research to focus more time into the issue of inequality in the country, especially with regards to unfair inequality. Looking at this current situation, with the data and studies that are available now, does allow for some ideas for possible solutions to be drawn from that information. Unfortunately, there are still several areas that are critically lacking in information, and while the issue of inequality has not been a particularly popular one in the United States, the consequences of the increasing levels of inequality will hopefully change that in the future.

There is one route that does offer what could be both immediate reductions in general inequality as well as perhaps greater pressure on the agglomeration of power in the financial industries: labor power. Returning to his study on the role labor has played within the United States, Brennan found that labor unions and their subsequent role as a countervailing entity against corporate power coincide with periods of reduced inequality. By either passing legislation enhancing the ability of people to join unions and the abilities of the unions themselves, general inequality overall would likely be impacted somewhat. The overall quantitative effect of this and its effect on different states would be one area that would benefit from further research.

More specifically, the largest issue for the United States in the immediate future will be the rapidly rising levels of unfair inequality. The unfair inequality creates innumerable issues, that without reducing it first, addressing larger problems such as overall income and wealth inequality will be impossible. Fortunately, there are several possible methods that could be used to address the problems detailed herein. Looking at the large effect that race has on this issue, addressing the differences between outcomes and opportunities in addition to income would provide substantial gains for a large portion of Americans. For example, in their study on the effect of race, Chetty, Hendren, Jones and Porter found "…if black children's mean ranks were increased by 13 percentiles at all levels of parental income, the black-white gap would fall to approximately 2.7 percentiles in two generations." (2018, p. 19). This clearly demonstrates that both the unfair inequality is present in large and meaningful amounts but also that it could be dramatically reduced.

With the large disadvantages and issues associated with unfair inequality, this problem really represents what will likely be the biggest problem going forward. Thus, identifying what exactly will help to reduce this problem should be the next step, especially as large cash transfer programs would likely be hugely unpopular given the clear racial divides and reasons for race-based unfair inequality. Additionally, part of the reason for the unfair inequality lies with racist sentiment among White Americans given that in part of the study on the effect of race, areas where bias was low, outcomes were better and vice versa. Additionally, Black male presence in communities was also identified as a critical issue for better outcomes for Black boys, yet there were statistically significant differences in the rate of incarceration with some areas having 21% of their young male population incarcerated one time (Chetty, Hendren, Jones & Porter, 2018). Addressing, that however presents an even more complicated issue but does represent an area that needs extensive further research on how to reduce bias in the American legal system.

Considering the difficulties in simple cash methods, the largest area of difference would likely be greater access to funding for both in school and after school educational and mentorship resources. Improving access to young adult role models would allow for a much greater adult male presence in these neighborhoods. Concurrently, it would be necessary to ensure that these neighborhoods are no longer so divided along racial and class lines as well as within workplaces. In their study on management, Cohen and Huffman found that black managers would tend to get concentrated in firms with high levels of Black employees (2007). Furthermore, even in neighborhoods of low poverty, Black Americans still suffer from racial bias and have worse outcomes regardless (Chetty, Hendren, Jones & Porter, 2018). Thus, any effort to begin addressing inequality will likely require significant funding and support, especially among White Americans as they will need to both contribute and participate.

Examining firms specifically, those managerial positions and the relationship between increased diversity and increased inequality is likely partly explained by the high requirements to attain a managerial position in addition to the concentration of Black managers in certain workspaces. Additionally, Cobb and Stevens found that: "…increased diversity of large-firm employment has not closed racial wage gaps, at least in the aggregate." (2017, p. 312). This corroborates the work of Cohen and Huffman in that the racial bias is still present in large firms and that, despite the negative relationship that large firms have on economic growth, its likely superficial given the remaining racial wage gaps.

Addressing racial inequality then, will likely be an uphill battle despite the potential upward mobility. Looking at this combined with overall general inequality, short-term solutions are largely impossible. Long-term however, there are many areas that could be improved. Further studies should focus on the specific solutions and determining which, of those solutions, will have the greatest impact on inequality. Chetty, Hendren, Jones, and Porter did identify some solutions that will address inequality racially, such as mentoring programs as well as education or efforts that reduce racial bias among White Americans would reduce this sector of inequality, but both these methods require participation of all groups as well as financial support (2018). In the future, studies should be used to determine what manner of funding can provide the best outcomes for these problems and what methods would be best for increasing support of these issues.

Future studies will also likely demonstrate that inequality, especially the unfair inequality, is likely greater than what has been presented here. Consider the incomes of Black Americans and Native Americans, which are similar, there are stark differences such as the geographic locations of the populations and the addition of reservations. Future studies could focus on solutions that work in the context of specific issues facing Native populations and what methods would be helpful for both groups especially in the context of the low mobility facing Native groups. Additionally, there is a dire lack of research on Native Americans in the United States as Chetty, Hendren, Jones and Porter elaborate: “We focus specifically on the black white gap because many of our tests require examining small subgroups, and sample sizes for blacks are much larger than those for American Indians.” (2018, p. 20). This represents a significant gap in current knowledge, and with the unique difficulties that these communities face, is something that could play a pivotal role in reducing inequalities in the future.

More generally, there is a lack of information regarding unfair inequality and methods that can address this specifically. While the U.S. struggles with opposing ideas regarding inequality in general, economic growth is most certainly harmed by increasing unfair inequality and thus future research regarding this topic should not be a matter of ideological preferences. In this area perhaps then, there can hopefully be some meaningful gains at least overall, that reduce some of the barriers that Americans face when it comes to inequality. Ideally, this would include predilections for racial and gender-based inequality as they require specific attention, but, given the current political climate, these specific inroads would likely be difficult to address. Regardless, further study should be done on determining what are the most meaningful methods of broaching these issues, especially with those who are averse to racially focused economic programs.

Regarding gender specifically, inequality between women has actually improved substantially as opposed to men over time (Hussey & Jetter, 2017). While this is a promising development, the still rather stark differences in the public sector in gender-based inequality represent what will perhaps be a much more difficult problem to address going forward (Mandel & Semyonov, 2014). Unfortunately, with the private sector hiring decisions and leadership appointment being in the hands of relatively few individuals, with the vast majority being men (Simona & George, 2018), the likelihood that the current situation will change dramatically is unlikely in the near-term.

While the United States has yet to experience dramatic declines in standards of living as a result of inequality, its current pace is likely to lead to significant reductions long-term. This will likely be due to what appears to be a self-reinforcing cycle between inequality in general and unfair inequality. As inequality increases, opportunities are diminished, and growth may be impacted, as these opportunities are limited, growth is further impacted, and inequality will increase. If this cycle is realized, it poses what could be a rather disturbing situation, one in which there is little to be done that might reverse these effects. Should this occur, it is highly likely that the U.S. will reach levels of high inequality.

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