

## INCOME INEQUALITY IN IOWA OVER THE PAST TWO DECADES

The United States was built on the ideal that hard work should pay off, that individuals who contribute to the nation's economic growth should reap the benefits of that growth. Over the past two decades, however, the benefits of economic growth have been skewed in favor of the wealthiest members of society.

- In the early 2000s, the *richest* 20 percent of families had average incomes **5.4** times as large as the *poorest* 20 percent of families.
- In the early 2000s, the *richest* 20 percent of families had average incomes **2.1** times as large as the *middle* 20 percent of families.
- In the early 2000s, the income gap between the *richest* 20 percent of families and the *poorest* 20 percent was **48<sup>th</sup>** largest in the nation. The income gap between the *richest* 20 percent of families and the *middle* 20 percent was **49<sup>th</sup>** largest in the nation.

Between the early 1980s and the early 2000s, in dollar terms

- The average income of the *poorest* fifth of families increased by **\$3,952**, from \$14,551 to \$18,503. This is roughly an increase of \$190/yr.
- The average income of the *middle* fifth of families increased by **\$10,936**, from \$36,375 to \$47,311. This is roughly an increase of \$520/yr.
- The average income of the *richest* fifth of families increased by **\$27,969**, from \$72,322 to \$100,291. This is roughly an increase of \$1,330/yr.

The chart shows these dollar changes in percentage terms.

