Income inequality grows four times faster under Obama than Bush

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US income inequality grew four times faster in the first three years of the Obama administration than under Bush, according to figures published Saturday in the *New York Times* .

The *Times* reached this conclusion by comparing the median wage—which measures the income of a household in the middle of the income scale—and the average wage, which tallies all income and divides it by the number of earners. As society has grown more unequal, the average wage has grown relatively more quickly, while median wages have grown more slowly, and stagnated in real terms.

This is exactly what has happened. As the newspaper reports, "From 2001 through 2008, during the George W. Bush administration," the ratio of mean (average) to median income "grew at 0.28 percentage points per year. From 2009 through 2011, the latest year for which the data is available, the ratio increased 1.14 percentage points annually, or roughly four times faster."

These figures add to earlier studies showing that growth in income during the so-called economic "recovery" has gone almost exclusively to the wealthiest layers of society. A study released earlier this year, entitled "Striking it Richer: The Evolution of Top Incomes in the United States" by University of California, Berkeley economist Emmanuel Saez, shows that since the recession was officially declared to be over in 2009, 93 percent of all income gains have gone to the top 1 percent, while the incomes of the rest of the population have remained stagnant.

According to the study, since 2010 the top 1 percent of society has seen an income growth of 11.6 percent, while the rest of the population's incomes have grown by a dismal 0.2 percent.

Similarly, though the uppermost layers of society saw a bigger hit to their incomes in the immediate aftermath of the financial collapse, their share of income growth returned to an all-time high in the following years, with the top 10 percent of society claiming nearly half of all income in 2010.

The study noted that, in the aftermath of the Great Depression, the US undertook policies "during the New Deal [that] permanently reduced income concentration until the 1970s." In contrast, the study noted a striking absence of any measures to reign in social inequality in the present crisis. Far from it, the Obama administrations' bank bailouts, austerity program and wage-cutting policies have vastly expanded the prevalence of social inequality.

Last month, the Census Bureau noted a significant growth in the percentage of households in the US which have at least one unemployed family member. The report, entitled *America's Families and Living Arrangements: 2012*, found that from 2005 to 2011, the number of households with children under 18 where at least one parent was unemployed rose from 2.4 million to 3.2 million. In some states, the increase was much higher. Nevada had a 148 percent increase in families affected by unemployment, Hawaii had a 95 percent increase, and California had a 61 percent increase.

The report also noted that the number of households with children that owned their own homes plunged by 15 percent during the same time period.

There was also a significant increase in the number of young people living with their parents, resulting from a fall in incomes and reduced job prospects. The percent of men aged 25 to 34 living in their parents' homes increased from 13 percent in the early 2000s to 17 percent in 2012. The report also noted that food stamp usage by children of married parents nearly tripled—from 4 percent to 11 percent—since 2002.

The so-called economic "recovery" has led to falling

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wages, speedup and more casualized labor. The jobs which have accounted for the majority of employment since the end of the recession have been composed mainly of part-time and low-paying service industry work.

According to data from the Bureau of Labor Statistics, in the period from June to July of this year, over 148,000 full-time jobs were eliminated, while in their place over 534,000 part-time positions were added.

Last year, the National Employment Law Project released a report finding that 60 percent of all positions added to payrolls since 2008 have been classified as "low-wage," paying between $7.69 and $13.83 per hour. Likewise, "middle-income jobs," those accounting for the majority of positions lost during the financial crisis, have made up barely 20 percent of jobs added during the "recovery."

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