

Preface

Social Problems: Sociology in Action, Third Edition, is the third book in a new SAGE textbook series that follows the approach and organization of SAGE's award-winning introductory textbook *Sociology in Action* (2019) by Kathleen Odell Korgen and Maxine P. Atkinson. The main idea behind these texts is that students will best learn sociology by *doing* sociology. *Social Problems: Sociology in Action* engages students in active learning as they grapple with the social construction of a range of social problems and learn to identify sociological solutions to issues facing society today.

Colleges, universities, and communities increasingly call for active learning and hands-on engagement in the learning process because active learning teaching techniques increase student learning, retention, and engagement with course material. However, they also require more creative effort than traditional lectures. This book addresses this gap by providing a simple and easy way for instructors to actively engage their students in the doing of sociology on their own, in the classroom, and in the community.

Social Problems: Sociology in Action puts all the tools instructors need to create an active learning course into one student-friendly text. No other social problems textbook provides this full coverage of social problems content *and* active learning exercises fully integrated into the text (with clear instructions on how to use and assess them available through instructor resources). *Social Problems: Sociology in Action* provides instructors of small, medium, large, and online social problems courses with the material they need to create engaging learning experiences for their students, including creative, hands-on, data-analytic, and community learning activities.

Gifted instructors who use active learning techniques in their own classrooms have written the chapters in this text. The contributors, focusing on their respective areas of expertise, expertly weave together content material, active learning exercises, discussion questions, and real-world examples of sociologists in action. Together, we have created a book that requires students to *do* sociology as they learn about social problems in their communities and around the world, creating a bridge between the classroom and the larger social world.

ORGANIZATION AND FEATURES

The clear organizational style of each chapter helps students follow the logic of the text and concentrate on the main ideas presented. Each chapter opens with focal learning questions, and each major section ends with review questions to remind students of the main points in the text. In addition, the chapters contain analyses of social problems, including causes, consequences, and solutions. Chapters close with a conclusion, and end-of-chapter resources include a list of key terms and a summary that addresses the focal learning questions. The active learning activities and “Consider This” questions throughout each chapter help create a student-centered class that engages student interest.

The book's rich pedagogy supports active learning and engagement:

- **Learning questions** start off every chapter, introducing students to the focus of the chapter and preparing them for the material it covers. These questions are tied to the learning objectives provided in the instructor resources. Each learning question addresses a main section of the chapter.
- **“Check Your Understanding”** questions appear at the end of every major section in a chapter, providing students with an opportunity to pause in their reading and ensure that they comprehend and retain what they've just read.

- **“Confronting Social Problems”** activities appear after each major section in every chapter. These active learning exercises enable students to apply the sociological concepts, theories, methods, and so on covered in the text. Each chapter contains a variety of exercises that instructors can use in class, online, or as assignments conducted outside of class. The activity guide available through the instructor’s resources includes clear instructions on how to carry out and assess the activities (in different class formats) as well as notes on how they relate to the chapter objectives. Additional exercises can also be found in the digital resources accompanying the text.
- **“Sociologist in Action”** boxes feature a student or professional “sociologist in action” doing public sociology related to the social problems covered in the chapter. This feature provides examples of how sociology can be used to make a positive impact on society.
- **Key terms** appear in bold where they are substantially discussed for the first time and are compiled in a list with page numbers at the end of their respective chapters. Corresponding definitions can be found in the Glossary.
- Every chapter concludes with a **review** that restates the learning questions presented at the start of the chapter and gives answers to them. This provides an important way for students to refresh their understanding of the material and retain what they’ve learned.

In addition, an in-depth appendix discusses the fundamentals of how **service-learning** can be used to address social problems, written by one of the nation’s leading experts on service-learning. The appendix includes nuts-and-bolts instructions on how to incorporate this approach into large or small face-to-face or online courses, with example rubrics and assessments.

TEACHING RESOURCES

This text includes an array of instructor teaching materials designed to save you time and to help you keep students engaged. To learn more, visit sagepub.com or contact your SAGE representative at sagepub.com/findmyrep.

Chapter 1

Understanding and Solving Social Problems

Kathleen Odell Korgen



Scott Olson/Getty Images

Learning Questions

- 1.1 What are social problems, and how are they social constructions?
- 1.2 What sparked the development of the science of sociology?
- 1.3 Why are some social conditions considered social problems while others are not?
- 1.4 How can the sociological imagination help us address social problems?
- 1.5 What are the steps of the social scientific research process?

What Is a Social Problem?

Learning Question

1.1 What are social problems, and how are they social constructions?

Welcome to the study of social problems! While at first glance focusing on problems may sound rather negative, you will soon find that examining social problems from a sociological perspective will enable you to both recognize and help address harmful social issues in ways that can make your community and the world around you a better place for everyone.

The creator of the term *sociology*, Auguste Comte, saw sociology as the “queen” of all sciences, which could guide and improve society (Comte & Martineau, 1853). Indeed, early sociologists used the new discipline to understand and address the social problems of the 19th and early 20th centuries, such as racism and sexism. Now you may say, “But wait, we still have these problems! What good is sociology?” The short answer is that, before sociology, not only were many of these social conditions more severe, but most people did not even think of them as social problems! This leads us to an important question—why do some, but not other, conditions that hurt people become recognized as social problems we should address?

Social Problems Are Social Constructions

Social problems are social conditions *perceived* to be problematic by groups of people. Members of society, particularly those with the most power, determine what we consider social problems. Like other **social constructions**, social problems are based on social perceptions that vary from society to society and over time. So what is considered a social problem can change over time and place. Let’s consider the social problems just mentioned: racism and sexism. Again, if you asked people in the early 19th-century United States if these were social problems, most would say no. They might even say, “What’s that?” Why do you think they would fail to see racism and sexism as social problems?

HOW I GOT ACTIVE IN SOCIOLOGY

KATHLEEN ODELL KORGEN

I slept most of the way through the SOC 101 course I took in college. The professor lectured, and we took notes (or not).

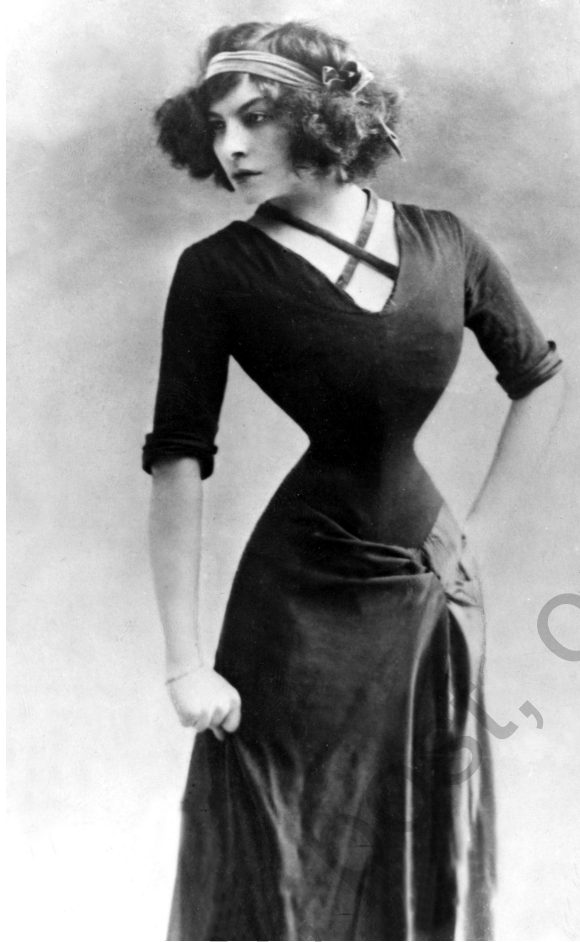
That SOC 101 course was the last sociology class I took until I found a sociology graduate program in social justice and social economy that encouraged sociologists to put sociological tools into action. In that program, I learned that sociology could show me how I can change society. As a researcher, I have worked on issues related to race relations and racial identity, evaluated social justice efforts and sociology programs, and helped create introductory textbooks that get students to *do* sociology as they learn it.

As a sociology teacher, I want students to know, right away, all that sociology offers them—and society. A major part of my work has been to help students use sociological tools to make a positive impact on society. In my classes, from SOC 101 to Public Sociology and Civic Engagement, students don’t just learn about sociology; they become sociologists in action.

Social Constructionism Perspective

Looking at society through a sociological lens can help us answer this question. We can use the sociological theoretical perspective of **social constructionism** to see that individuals assign meaning to the world around them based on their own interpretations of it. This perspective also tells us, however, that individuals’ perceptions are not formed in a vacuum. We are all influenced by the society and time in which we live. Sociologists refer to this as “the social construction of reality.” Think about your taste in clothes, for example. Do you tend to prefer seeing a man in a shirt and pants or a djellaba (a hooded

tunic common in Morocco)? If you are a woman and could have just one pair of jeans, would you choose skinny jeans or mom jeans? Were you born with these preferences, or did your society affect them?



Corsets, stiff undergarments that could be tightened to constrict women's waists, were once common.

Rue des Archives / GRANGER

We are all influenced by both **culture**, the rules, values, beliefs, and material goods created by members of our society, and **social structure**, the framework of society constructed through social institutions such as the government, education system, economy, families, and religion. Think about how your life would change if our form of government changed from a democratic republic to a dictatorship. Or imagine if our culture began to view obesity as a sign of prosperity, as was common in the Middle Ages and Renaissance. As our culture and social structures change, so does our society—and our lives within it.

Discussion Question 1.1: How are attitudes towards tobacco and marijuana use in the United States good examples of how social problems are social constructions?

CONFRONTING SOCIAL PROBLEMS 1.1

YOU AND YOUR SOCIETY

What are social problems, and how are they social constructions?

In this exercise, you will consider how the time and society in which you live affects you.

Think about what your parents or other members of their generation have told you about their lives when they were young adults, in their late teens and early 20s. Write your answers to the following questions with that time period in mind:

1. What values, beliefs, and social norms did your parents follow when they were young? List three ways U.S. culture (including social norms, values, beliefs, and objects) has changed in the last 50 years. You could think about changes in education values, dating rules, etc.
2. How has the U.S. economy evolved since your parents were young, such as the skills and qualifications needed for good jobs, which fields have many openings, and gender expectations in the workforce?
3. Based on your answers to 1 and 2, how have these shifts influenced your dating and career choices? Discuss how these changes demonstrate the social construction of reality.
4. Explain how social problems are also social constructions and can differ across times and places.

Check Your Understanding

1. What is a social problem?
2. How can you show that social problems are social constructions?
3. What does the theoretical perspective of social constructionism help us see?
4. What is culture?
5. What is social structure?
6. What are some examples of how changes in the culture and structure of our society can change society—and our lives within it?

Sociology and the Study of Social Problems

Learning Question

1.2 What sparked the development of the science of sociology?

Sociology developed as intellectuals noted the dramatic changes resulting from the Enlightenment (1685–1815) and the Industrial Revolution (from the late 1700s to the late 1800s). The Enlightenment ideas, values, and beliefs that put reason, rationality, and freedom above tradition, religion, and monarchies changed cultures and governments, and the Industrial Revolution transformed economies. Both dramatically changed individuals and societies, creating social upheaval in the process.

CONFRONTING SOCIAL PROBLEMS 1.2

LEARNING TO ASK WHY

What sparked the development of the science of sociology?

In this activity, you have the opportunity to ask “why?”

Sociology developed to answer the question of why society works as it does—and how we might make it better.

Write answers to the following questions:

1. How might your perspective on society change if you started to ask why
 - economic inequality today is much greater than most Americans think it is,
 - only men have become president of the United States,
 - White people have about eight times the wealth of Black Americans, and
 - many boys and men feel they cannot show weakness in public?
2. What would knowing the answers to these questions allow you to do? Discuss what you might do with this knowledge and why. Be specific and could aspects of your own life in your answer.
3. If everyone knew these answers, would it help or hurt society? Why?

Auguste Comte and other early sociologists believed that sociology could help make sense of the tremendous social changes brought about by the Enlightenment and Industrial Revolution. They also believed that sociologists could use their research to inform efforts to improve society. Here, we briefly look at the work of two early sociologists in the United States: Jane Addams and W. E. B. Du Bois.

Jane Addams (1860–1935)

Born into a wealthy and well-connected family (her father was an eight-term senator from Illinois), Jane Addams rebuffed the gender expectations of her day. She earned a college education and established, with her college friend Ellen Gates Starr, Hull House—one of the first settlement houses in the United States. While traveling in Europe after college, she and Starr visited a settlement house in a poor East London neighborhood. There, college students lived and worked together for social reforms. Inspired, the two women bought a large mansion situated in what had become a poor immigrant neighborhood in Chicago. Hull House became a hub for sociological research, education, and social services for low-income immigrants.

Addams and her colleagues not only conducted research to provide data on issues of social inequality but also used their findings to (1) argue that these issues were social problems and (2) propose and advocate for policies and laws to address them. They convinced policy makers to tackle many social issues, such as the criminal justice system treating children like adults (advocating for a juvenile justice system) and the exploitation of children and women in factories (sponsoring the Illinois Factory Act of 1893 that made hiring children illegal and limited working hours for women to eight hours a day) (Pleck, 2018). Other accomplishments by Addams include co-winning the Nobel Peace Prize in 1931 and helping establish

- regulations of tenement houses,
- inspections of factories,
- compensation for workers injured on the job,
- the American Civil Liberties Union (ACLU),
- women’s suffrage,

- the National Association for the Advancement of Colored People (NAACP),
- the National Council of Social Work (of which she was the first woman president), and
- the Women's International League for Peace and Freedom.



Jane Addams
Universal History Archive/UiG via Getty images

W. E. B. Du Bois (1868–1963)

W. E. B. Du Bois grew up in a predominantly White town in western Massachusetts, with a single mother who was employed as a domestic worker. The only Black student in his elementary school, Du Bois excelled academically. He began to experience racism and to recognize the racial injustice embedded in U.S. society while in high school. Calling attention to those injustices and proposing solutions to them became the focus of his life and work as a sociologist (Gates & Du Bois, 2014).

Du Bois's first study after gaining his doctorate, *The Philadelphia Negro* (1899), is one of the earliest examples of data-driven sociological research in the United States. He modeled his data collection methods on the work of Jane Addams and her colleagues (Deegan, 1988). Du Bois lived in a poor Black community in Philadelphia for two years and interviewed 5,000 residents. Using this data plus information from the U.S. census, he created maps illustrating the social and economic conditions of residents in the community. His findings revealed how the high poverty, unemployment, and crime rates among the residents related to historical and current institutional discrimination against Black Americans (Du Bois, 1899). In doing so, he helped reveal the falsehood of negative racial stereotypes about Black people and that racism is a social problem that harms society as well as people of color.

Du Bois spent his long life using his sociological skills to understand, propose, and advocate for solutions to racism. Some of his many accomplishments include

- being the first Black person to earn a PhD from Harvard (after receiving scholarships to fund his undergraduate and graduate studies);
- cofounding (with Jane Addams and others) the NAACP and editing its journal, *The Crisis*;
- publicizing and denouncing the lynching of Black Americans;
- cofounding and heading the Niagara Movement, which led the fight for equal rights for Black people and successfully pushed back on the dominant idea that Black Americans should accept a lower social and political status than Whites;
- writing *The Souls of Black Folk*, the foundational text for movements advocating equal rights for Black people;
- countering the myth that Reconstruction in the South after the Civil War failed because of the incompetence of Black leaders with *Black Reconstruction in America* (1935); and
- promoting the rights of African people and their descendants across the globe through his pan-African organizing efforts.

Du Bois and Addams were sociologists *in action*. They used their sociological skills to convince people that social injustices such as racism and sexism are social problems that society should address—and to figure out ways to help mitigate them. Today, many people with sociological training follow in their footsteps, using their sociological tools to improve society in a variety of ways. You will learn about many in the “Sociologist in Action” features in each chapter. From helping to house homeless people to assisting communities in organizing to fight environmental injustice, professionals and students are using sociology to understand and address social problems.

This brings us back to the question raised earlier: Why are some, but not other, social conditions considered social problems? We noted that social problems are social constructions that vary over time and from society to society. But how does society determine what social conditions are social problems?

Discussion Question 1.2: Imagine you are a sociologist in action. Which social problem would you focus on right now? Why?

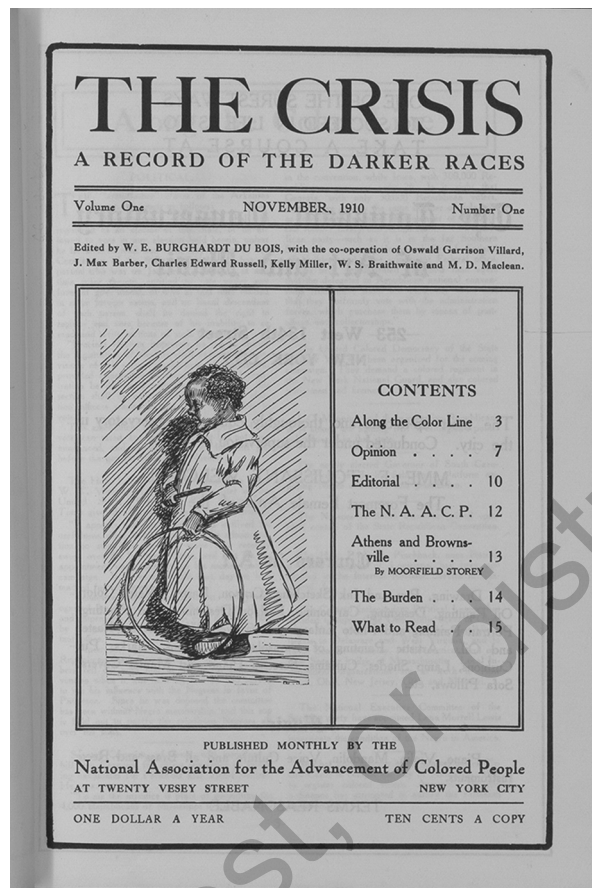
Check Your Understanding

1. Why did intellectuals create the discipline of sociology?
2. Who was Auguste Comte, and what was his vision for sociology?
3. Who was Jane Addams? How did she contribute to her society’s understanding of social problems? How did she help address social problems?
4. Who was W. E. B. Du Bois? How did he contribute to his society’s understanding of social problems? How did he help address social problems?

Why Are Some, But Not Other, Social Conditions Considered Social Problems?

Learning Question

1.3 Why are some social conditions considered social problems while others are not?



W. E. B. Du Bois was a cofounder of the NAACP and its publication, *The Crisis*, now the oldest Black publication in the world.

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Do you live in fear of quicksand? Your answer to that question reflects your age—and helps illustrate how social problems do not always reflect the greatest threats to society. Like many fears (e.g., of sharks, ghosts, witches—and quicksand), social problems are socially constructed and change over time.

What Sparked the Quicksand Fear?

Growing up in the United States in the 1960s meant that you were probably on the lookout for quicksand. In an agonizing scene in one of the most popular movies of the 1960s, *Lawrence of Arabia* (1962), a boy dies after falling into desert quicksand. Quicksand also appeared in popular TV shows of that era. The Monkees encounter it in Season 2 of their show (Ross, 1967). It even appeared in arguably the most famous speech of the decade: Martin Luther King Jr. declared, “Now is the time to lift our nation from the quicksands of racial injustice,” in his “I Have a Dream” speech (King, 1963).

So quicksand scared a lot of people for quite some time. By 2010, however, quicksand could not scare a group of fourth graders interviewed on the topic. “I usually don’t think about it,” said one. They were more afraid of things like aliens, zombies, ghosts, and dinosaurs. But they understood that it was something people *used* to be afraid of: “My dad told me that when he was little his friends always said, ‘Look out, that could be quicksand!’”

Writer Daniel Engber decided to find out what happened to the fear of quicksand. He found a group of people who had created a list of every movie from the 1900s to the 2000s that included quicksand, and he used these data and information on the total number of movies made to show that about 3% of movies made in the 1960s included quicksand scenes. The percentage of movies

featuring quicksand then dropped, with relatively few (less than 1%) doing so in 2000. Quicksand almost completely disappeared from television shows as well.

Children who grew up more recently were also less likely to think they might run into quicksand as they played outside in the woods or fields around their homes. In fact, parents' fears (which you will learn more about in Chapter 12) and the advent of the Internet and video games led to fewer kids playing outside at all. The hours children spent in unsupervised play between 1981 and 1997 decreased by 16% and most of the remaining free play took place inside. Kids spent more time on computers or watching television than on outside adventures with friends (Hofferth & Sandberg, 2001). Meanwhile, television shows like *Mythbusters* debunked many of the purported dangers of quicksand, and with the Internet, kids could learn for themselves that it's very unlikely you will sink, drown, and die in quicksand.

Quicksand, while an irrational fear for a generation of children, never became a social problem. Looking at the rise and fall of the fear of quicksand in the United States, however, allows us to see how societies construct and (sometimes) deconstruct social problems. It also helps us begin to understand why some issues become social problems and others do not. Perception, rather than facts, is the key driver behind the creation of social problems.

Discussion Question 1.3: What is an issue that is widely considered a social problem that you think should *not* be? Explain why.

Social Problems and Power

The quicksand example, along with other non-fact-based fears (e.g., witches, Bigfoot, crossing paths with a black cat, stepping on a crack in the pavement), allows us to see that fears are not always rational. How many people have died at the hands of Bigfoot? Did you ever break your mother's back by stepping on a crack? Likewise, social actions or conditions perceived as social problems do not always hurt many people (e.g., think of every immigrant group once seen as "taking over" or "ruining" the United States). Even more puzzling, some social actions or conditions that *do* hurt many people do not become social problems. The social problems mentioned already (racism and sexism) have harmed many millions of people for hundreds and thousands of years. Why, then, weren't they always considered social problems?

The short answer is power. Those with the most power in society have the most influence over what people believe—including what they believe are social problems. Those with high positions in the major social institutions in our society have a great deal of power. For example, government officials can influence the laws and policies we must follow, and owners of major corporations can influence our local, national, or even global society by creating and producing goods, impacting the environment, creating or destroying jobs, and influencing our views of society through school curricula and the media. In Chapter 9, you will read about how the news media (supported by advertisements funded by corporations) tends to cover crimes committed by low-income people, rather than corporations—even though we are more likely to be harmed by the crimes of the latter.

The Power of Organized People

The good news is that even people outside of high-status positions can gain power when they organize themselves and others and work together. Throughout history, ordinary people have used social movements to gain power and change society. For example, people in the civil rights and women's rights movements, like those in all successful social movements, carried out the following steps. They

- identified a goal (social issue) they could rally others around (e.g., the Voting Rights Act of 1965, which prohibits racial discrimination in voting; Title IX of the Education Act of 1972, which bars any educational institution receiving federal money from discriminating on the basis of sex),
- formed an organized group,

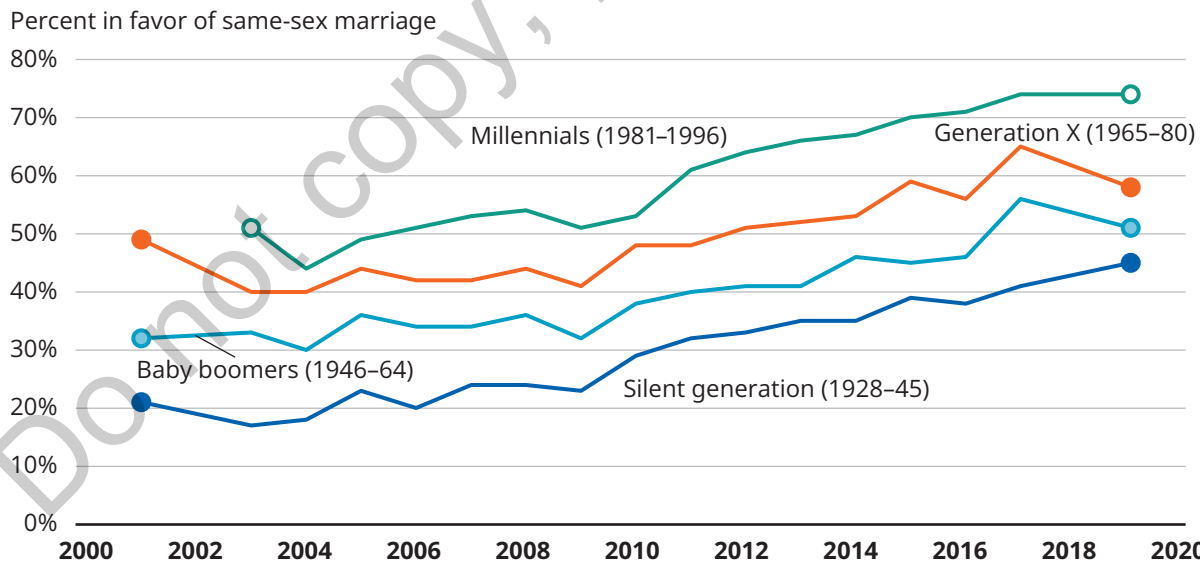
- created an effective strategy (researched the problem and potential solutions, figured out how to gain support from people and organizations that can bring about change),
- mobilized enough resources (people and money),
- organized effective actions (marches, rallies, boycotts, etc.), and
- built power to reach their goal by completing the steps above (Korgan & Atkinson, 2027).

These movements led many people to change their perceptions of people of color and of women and, in the process, convinced them that racism and sexism are social problems that society needs to address. This happened because people (like W. E. B. Du Bois and Jane Addams) organized and effectively countered the prevailing beliefs that people of color are inferior to White people and women are inferior to men.

Same-Sex Marriage Movement

The same-sex marriage movement also followed these steps with great success. It had a dramatic impact on the public's perception of people attracted to members of the same sex and changed the definition of marriage and the laws surrounding it. Through effective media campaigns, legal strategies, and persistent organizing efforts, the movement changed people's attitudes toward same-sex marriage. In just a decade (2007–2017), the percentage of people in favor of same-sex marriage in the United States increased from 37% to 62% and, as Figure 1.1 shows, across all generations. The American Sociological Association submitted an amicus brief to the Supreme Court, pointing out that the overwhelming social science evidence indicates that having same-sex parents does not put children at risk. By the time of the Supreme Court ruling in 2015, a majority in the United States believed that discrimination against same-sex marriage was a social problem that the government should address. The increase in public support indicated that the public was ready for the *Obergefell v. Hodges* Supreme Court 2015 decision that required all states to recognize and certify same-sex marriages.

Figure 1.1 • Percentage of U.S. Adults Favoring Same-Sex Marriage, by Generation (2001–2019)



Source: "Attitudes on Same-Sex Marriage." Pew Research Center, Washington, D.C. (May 14, 2019) <https://www.pewforum.org/fact-sheet/changing-attitudes-on-gay-marriage/>

Fearing that a more conservative Supreme Court might overrule *Obergefell v. Hodges* (and the *Loving v. Virginia* decision that struck down laws prohibiting interracial marriages), Congress passed

and President Biden signed the Respect for Marriage Act in 2022. The Act requires that the federal government acknowledge any marriage between two people of any sex, race, ethnicity, or nation of origin recognized by the state in which they were married. So, even if the Supreme Court takes away the right of same sex and interracial couples to marry, states who want to can continue to permit them—and all states must recognize them (Dorf, 2024).

Using problem-solving sociological tools, many sociologists today, like Du Bois and Addams, do not just study social problems such as racism and sexism but offer solutions to them as well. You do not have to be a professional sociologist to use sociological tools to address social problems, however. We now look at how sociologists, and students in social problems courses, can better understand society—and make it better!

CONFRONTING SOCIAL PROBLEMS 1.3

CONSTRUCTING A SOCIAL PROBLEM

Why are some social conditions considered social problems while others are not?

In this activity, you will consider how you might bring attention to an issue that is not now, but you think should be, considered a social problem.

1. Name an issue that you think your school or local community should address but seems to overlook.
2. Now, following the steps successful movements take, describe how you might start a movement to draw attention to it.

Check Your Understanding

1. How does the rise and fall of quicksand as a social fear show us how societies can create social problems?
2. Who has the most influence over what society considers social problems? Why?
3. How can ordinary people gain power to create and address social problems?
4. What are the steps of a successful social movement?
5. How did the same-sex marriage movement convince people that discrimination against same-sex people who want to marry was a social problem that needed addressing?

How Can Professional Sociologists—and You—Help Solve Social Problems?

Learning Question

1.4 How can the sociological imagination help us address social problems?

Get ready; this course will change the way you view the world. Once you have developed a sociological eye, you will have it forever. The sociological eye is one of the two core commitments of sociology that we discuss next (Collins, 1998). We will also explain how you can use your sociological imagination to connect what's going on in your own life with patterns in society. Finally, we will look at how sociologists collect data and how sociological skills can help you understand how society works and address social problems in it.

The Core Commitments of Sociology and the Sociological Imagination

Gaining a sociological perspective comes with two obligations, or **core commitments of sociology**—developing and using a sociological eye and social activism (Collins, 1998). A **sociological eye** allows you to see beneath the surface of society and recognize social patterns. Then, when you see unjust patterns, you must use your sociological skills to fulfill the second obligation, social activism, by understanding, publicizing, and addressing them.

To gain a sociological eye, you must first attain a **sociological imagination**, the ability to connect personal experiences with public issues and the broader social and historical context (Mills, 1959). This will allow you to recognize that society influences and limits your choices but also that you can impact society. With a sociological imagination, you can understand how to address social problems from a societal, rather than merely an individual, perspective.

Discussion Question 1.4: Use your sociological imagination to explain why you (and so many other people) are seeking a college degree today.

Imagine that the food in your school cafeteria is of poor quality and overpriced. What can you do? Looking at the problem from an individualistic perspective, there are not many good options. You can try to find food elsewhere, complain with your friends while you all continue to eat the food in the cafeteria because it is the most convenient place to eat, and/or skip as many meals as possible.

If you look at the food problem from a sociological perspective, however, you can start to figure out why the problem exists and recognize that it affects not just you and your friends but every other student who relies on the cafeteria for food. In fact, you may discover—if other colleges use the same vendor—that this problem affects many thousands of students across the nation. That means that you can gain power to address the issue by creating a social movement across campus—or even across the country! Suddenly, you realize that you and other students, together, can gain enough power to make your school either put enough pressure on the vendor to improve the quality of the food and lower the prices or find a different vendor that will. There are many ways you and other students can use your power to address social problems.

One of the keys to successfully tackling social problems is good information. You must know how to collect data, analyze them, and use them effectively. The first two steps involve understanding the social scientific research process.

CONFRONTING SOCIAL PROBLEMS 1.4

USING THE SOCIOLOGICAL IMAGINATION TO ADDRESS STUDENT DEBT

How can the sociological imagination help us address social problems?

In this exercise, you will use your sociological imagination to figure out how to address a social problem most effectively.

Consider a personal experience that many college students face—student debt. Explain how your strategy for addressing this problem would differ depending on whether you use an individual perspective or your sociological imagination by answering the questions following the scenarios below:

1. You see student debt as an individual (your) problem: How might you address it?
2. You recognize that student debt is not just a problem for you but part of a pattern across society. You see it as a social issue that has a social solution: How might you address it?

3. Imagine you are successful in both types of efforts. What would be the results of each for (a) you, in particular, and (b) most students?

Check Your Understanding

1. What are the obligations, or core commitments, that come with gaining a sociological perspective?
2. What can you do with a sociological eye?
3. What does the sociological imagination give you?

How to Conduct Social Scientific Research

Learning Question

1.5 What are the steps of the social scientific research process?

All social scientists, including sociologists, follow the **social scientific research process** to ensure that their research takes advantage of previous findings, is as unbiased as possible, does not cause harm, and can be replicated by other researchers. To conduct research on a social problem, professional sociologists—and you— should follow these steps:

1. Pick a social problem.
2. Conduct a review of the existing literature on the social problem (called a literature review) to understand what is already known and what still needs to be known about that social problem.
3. Decide what new data would help you better understand the social problem and how to address it.
4. Determine how to collect the data so you can make good generalizations (and include a description of your sample and methodology in your report so others can replicate it).
5. Collect and analyze the data.
6. Describe how your findings, and those from previous research, indicate the causes of the social problem and suggest a way (or ways) to address it.
7. Send your work to other social scientists for review and revise it.
8. Work with others to publicize your findings and carry out your plan.

CONFRONTING SOCIAL PROBLEMS 1.5

HOW TO RESEARCH A SOCIAL ISSUE LIKE A PRO

What are the steps of the social scientific research process?

In this exercise, you think about the steps you would take to study a social issue using the social scientific research process.

Answer the following questions:

1. What's the issue, and what is already known about it?

In a sentence, describe the problem you're curious about (Example: "Why is fast fashion bad for the environment?") and explain why you are interested in it. Pretend you're doing a quick search online about your issue. What's one thing you might type into Google to start? Write down a question you want answers to.

2. What information do you need and how would you find it?
Think of one specific piece of info that would really help you understand this issue better. (Example: "How much waste do fast fashion brands create each year?") How would you find the data you need? Pick one way (like a survey, interview, or reading articles) and say why you think it's a good fit in a sentence.
3. Making sense of the data.
Imagine you have collected your data. How would you figure out what they mean? (e.g., Would you compare them to something, look for patterns, and/or something else?)
4. Put it together.
Write a short description (about half a page) of how to carry out social scientific research that includes your answers to the questions above and the steps of the social scientific research outlined in this chapter.

Finding and Collecting Good Information

One of the benefits of learning how to conduct social scientific research is that you also learn how to spot bad or misleading findings. For example, as you conduct a literature review, you must be able to differentiate between good and untrustworthy sources of information. You need to look at who funded the research, the political biases of the organization sponsoring and publicizing it, and—most importantly—how the researcher(s) collected the data. Avoid using findings if you cannot find this information about them.

When looking at any source of information online, you should find the "About" tab and learn about the organization presenting it (does it have a political or profit-driven mission that might lead it to promote misleading findings?). Know that ".edu" (accredited educational institution) or ".gov" (government) websites contain data collected by professional researchers. This is also true for information in peer-reviewed articles in journals (articles reviewed by other professionals and usually revised based on their feedback before publication). Your school library gives you access to search engines that will help you find innumerable articles on all sorts of social problems. When reading a news article that cites research, be sure to dig deeper and find out who conducted the research—and how.

How do you know if researchers collected their data the "right" way? In general, they must show you that their sample reflects the population studied. For example, imagine that you read in your student newspaper that most students at your school think there is no need for more parking on campus. You note that the author says that her information is based on a survey conducted by a student for a class project. And the sample? Students hanging out in front of the student center on a day she had time to hand out surveys. Can you trust those findings? No! The students who happened to be in front of the student center at that time do not provide a representative sample of *all* students at your school. In fact, you can't even be sure they *are* students at your school. What if they included prospective students who happened to be taking a campus tour then? What would they know about the parking situation for students?

Of course, it would be great if you could use an online program to survey the entire population of undergraduate students at your school and require them to answer your questions (but no school would allow it, and researchers cannot force people to participate in studies). A better idea would be to survey students in required courses that every undergraduate must take (including transfer students). That way, you can ensure that you have a (somewhat, at least) representative sample of students, including a cross section of majors and students from different years.

As we discuss in the concluding chapter, the ability to discern good from bad information is particularly important in a democratic society where most people obtain their information from social

media. This skill will help you avoid attempts to manipulate you with misleading data. You can also use it to inform people who might be falling for such shady schemes.

Discussion Question 1.5: If you want to figure out whom you should vote for in an election, how might you find some good information on the candidates?

What Social Problems Do You Want to Address?

So now that you know what it takes to do social scientific research on social problems, what social problem do you want to tackle? As you read the following chapters, you will continue to develop and use your sociological eye. What patterns will you see? What social problems will you notice, study, and begin to address? In the following “Sociologist in Action” essay, sociology professor Kathy Shepherd Stolley describes how students at her school, working with community partners and school employees, established a program to help meet the needs of the homeless population in their area.

Sociologist in Action

“Shelter”

Kathy Shepherd Stolley

In 2007, Virginia Wesleyan began hosting an on-campus emergency winter homeless shelter that has become a signature program here. We created “Shelter,” in partnership with Portsmouth Volunteers for the Homeless (PVH), to serve the homeless, dispel stereotypes, raise awareness about the structural factors leading to homelessness, and reflect the university’s mission. After a decade of operation, we shifted into the community and currently serve in shelters in three local cities (Portsmouth, Norfolk, and Virginia Beach) rather than providing a shelter on campus. When our campus operated “Shelter,” for 1 week each January during our short winter term, we welcomed about 60 adults every night to a gymnasium for respite from the wintry weather. Our guests would arrive in time for dinner, then leave each morning for breakfast at a local soup kitchen. We were one stop on a shelter schedule rotating weekly among numerous houses of faith from fall through late spring. There were no other educational institutions on this shelter schedule, and we are not aware of any other colleges or universities elsewhere that provide shelter using this model. Two sophomores envisioned “Shelter” and presented it to our administration and PVH as a sustainable project to address hunger and homelessness, sponsored by our former Office of Community Service (now Wesleyan Engaged: Center for Civic Leadership and Engaged Learning). In collaboration with PVH as a community partner, “Shelter” was established as, and remains, a student-led project. A small student management team volunteers more than 100 hours of time, often without class credit, to oversee shelter activities and volunteers. My initial role with the shelter was as a founding faculty adviser; I then joined an interdisciplinary team that continues to co-teach a service-learning class connected to “Shelter.”

“Shelter” preparation includes orientation sessions, role-playing, and other interactive activities, as well as various readings, guest experts, and lectures covering micro, meso, and macro aspects of homelessness and poverty. Students journal and reflect during and after the shelter experience, then are challenged to apply their sociological imaginations to creative projects addressing these social problems. Annual pre- and post-volunteer surveys have shown shifts in student participants’ attitudes toward the homeless. Alumni who were student managers say their experience with “Shelter” gave them transferable skills that benefit them in their postcollege lives. The entire campus—from students to top administrators, plus alumni, parents, and members of the local community—is invited to engage with the issue of homelessness through “Shelter.” It has led to honors projects, internships, awards, scholarly publications, conference presentations, media attention, improved organizational health, and even a short documentary: “Winter Shelter, on Campus: College Students Encounter Homelessness at Home” (<https://www.youtube.com/watch?v>

=GyjEc8uinZ0). Most important, however, people in need have been provided safety and respect and have become immeasurably important members of our campus community. “Shelter” provides an example of the evolution, reach, and impact of student action combined with intentional sociological application. Never underestimate your potential to build community and change our world for the better.

Kathy Shepherd Stolley is professor of sociology at Virginia Wesleyan University, where her emphasis is applied sociology.

Discussion Questions: Why do you think students’ attitudes toward the homeless changed after their experience with “Shelter”? What similar experiences have you had or would you like to have?

Check Your Understanding

1. If you want to understand and address a social problem using social scientific research, what steps must you follow?
2. How do you know if a sample is a representative sample?
3. Explain how you could obtain a representative sample of the undergraduate population at your school.

Conclusion

In this course, you will have the opportunity to fulfill the core commitments of sociology by learning the causes of a wide range of social problems and how you can use sociological tools to address them. This introductory chapter gives you just a taste of what you will learn in the chapters ahead. They each focus on one of the major social problems facing society today. We start, in Chapter 2, with one of the social problems that leads to many more—economic inequality.

Review

1. What are social problems, and how are they social constructions?

Social problems are social conditions *perceived* to be problematic by groups of people. Members of society determine what are social problems as they continually construct and reconstruct society every day. Like other social constructions, social problems are based on social perceptions that vary from society to society and over time. Looking at the rise and fall of the fear of quicksand helps us recognize that societies construct and (sometimes) deconstruct social problems.

2. What sparked the development of the science of sociology?

Sociology developed as intellectuals noted the dramatic changes resulting from the Enlightenment (1685–1815) and the Industrial Revolution (from the late 1700s to the late 1800s). Both dramatically changed societies—and the lives of the people in them—creating social upheaval in the process.

Auguste Comte and other early sociologists believed that sociology could help make sense of the tremendous social changes brought about by the Enlightenment and Industrial Revolution. They also believed that sociologists could use their research to inform efforts to improve society. Jane Addams and W. E. B. Du Bois were two early sociologists who helped construct some unjust social conditions (e.g., sexism and racism) as social problems that society must address.

3. Why are some social conditions considered social problems while others are not?

Those with the most power in society have the most influence over what people believe—including what they believe are social problems. For example, government officials can influence

the laws and policies we must follow, and owners of major corporations can influence our local, national, or even global society by creating and producing goods, impacting the environment, creating or destroying jobs, and influencing our views of society through the media.

The good news is ordinary people can learn to organize and create movements to gain power and change society. For example, people in the civil rights movement, the women's rights movements, and the same-sex marriage movement addressed social problems by changing the structure (laws) and culture (people's views) of society.

4. What can be done to help address social problems?

Through gaining a sociological perspective and taking on the two obligations or core commitments (the sociological eye and social activism) that come with it, you can recognize and help address social problems. A sociological eye allows you to see beneath the surface of society and recognize social patterns. Then, when you see unjust patterns, you must use your sociological skills to understand, publicize, and address them. To gain a sociological eye, you must first attain a sociological imagination, the ability to connect personal experiences with public issues (Mills, 1959). Social problems must be addressed from a societal, rather than merely an individual, perspective.

5. What are the steps of the social scientific research process?

All social scientists, including sociologists, adhere to the following social scientific research process.

- a. Pick a topic/issue/problem to study.
- b. Conduct a review of the existing literature on the topic (called a literature review) to understand what is already known and what still needs to be known about it.
- c. Decide what new data would help you better understand the issue and how to address it.
- d. Determine how to collect the data so you can make good generalizations (and include a description of your sample and methodology in your report so others can replicate it).
- e. Collect and analyze the data.
- f. Describe how your findings, and those from previous research, help you to better understand the issue and (if appropriate) suggest a way (or ways) to address it.
- g. Send your work to other social scientists for review and revise it.
- h. Publicize the results of your research.

Discussion Questions

1. How can you prove that social problems are social constructions?
2. If you were a sociologist in action, what social problem might you focus on? Why?
3. What are three problems in society today that are not now, but should be, considered social problems?
4. How is your ability (or not) to walk in your neighborhood without fear of harassment or physical harm connected to public issues?
5. How might you get a representative sample of the undergraduate population at your school? What classes would you choose to survey?

Key Terms

Core commitments of sociology

Culture

Social constructionism

Social constructions

Social problems

Social scientific research process

Social structure

Sociological eye

Sociological imagination

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Chapter 2

Analyzing Economic Inequalities

Dawn R. Norris



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Learning Questions

- 2.1 What are social class and economic inequality?
- 2.2 What are the two major sociological viewpoints on economic inequality?
- 2.3 How are wealth and income distributed in the United States and globally?
- 2.4 What is the likelihood of moving up or down in social class in the United States?
- 2.5 What has led to high levels of economic inequality in the United States?
- 2.6 What are some social problems caused by high levels of economic inequality?
- 2.7 What can we do to reduce economic inequality?

Economic Inequality and Social Problems

Learning Question

2.1 What are social class and economic inequality?

Think about the last time you noticed that someone had a lot more money than you. Now think about a time you encountered someone much poorer than you. What were those experiences like? How did you feel? Did you think about how they became rich or poor? Did you make any judgments about them based on those assumptions? Did you make any judgments about yourself? Does it surprise you that, while individuals' efforts sometimes affect how much money they have, large-scale factors such as government policies and the national and global economies, gender roles, and institutional racism are the *primary* causes of economic inequality? In this chapter, we show how social forces affect the distribution of income and wealth inequality.

Defining Economic Inequality

It is no secret that some people have more money, property, and material goods than others. This income or wealth gap among individuals, groups, or even entire countries is known as **economic inequality**. Economic inequality differs from economic growth or contraction, which refers to how much money, goods, and resources exist overall. John Iceland (2013, p. 81) describes these two concepts using the analogy of a delicious pie. The shifting size of the pie *overall*—a small, medium, or large pie—illustrates economic growth or contraction. On the other hand, economic inequality refers to how the pie is cut into different-size pieces (with some getting bigger pieces than others). The two do not necessarily correlate. For example, in a society with a booming economy but a high degree of economic inequality, a few people may get huge slices of a very large pie while most people get only a few crumbs of that big pie.

HOW I GOT ACTIVE IN SOCIOLOGY

DAWN NORRIS

One day, after a long conversation about social class, my friend told me, "You're in the wrong major." At the time I was a psychology major, so she urged me to take an introductory sociology course. I did, and that semester I realized there was a field of study that examined all the things I had always questioned about society.

During my politically active undergraduate career, I used sociology to work on a presidential candidate's campaign and to participate in social movements. I also loved explaining sociology to my classmates and doing research. As I approached graduation, I had the opportunity to attend a sociology conference. It was there that I realized I could also work toward social justice through teaching and research. Today, I am thrilled that my career allows me to introduce others to what I hold so dear—a love of sociology.

Almost all societies are **stratified** or separated into ranked groups with different levels of material goods (aka pie), prestige, and power. Types of stratification include slavery, caste, estate, and social class systems.

Slavery

In a slavery system of stratification, some people own other people as property. In these types of societies, enslavement is legal and movement out of slave status is impossible. In ancient Greece, Rome, and Egypt, slavery was integral to their economies. Enslaved people were often prisoners of war or people who fell into debt. The pre-Civil War United States operated under a slavery system in which people designated as Black were defined as "inferior" and without the rights of citizens. Most lived as enslaved people and were forced to work under brutal conditions for White slave owners.

Caste

The caste system, outlawed in most places but still practiced informally in some countries, such as Ethiopia, Somalia, Japan, and India, forbids movement up *or* down in the social and economic hierarchy. People must remain in the caste into which they were born and interact almost exclusively with others in their own caste. Cultural and religious beliefs justify this system. People tend to be reluctant to challenge the system because they believe that deities intend for them to inhabit their own caste.

Estate

In the estate system, which operated in many areas, including Europe from about 500 A.D. to the late 1700s, most people stayed in the hierarchical position into which they were born. Under special circumstances (e.g., through marriage, becoming a member of the clergy, losing an inheritance), however, a few people moved up or down in the hierarchy. Feudal societies, which contained nobility, serfs, clergy, and knights, had estate systems of stratification.

Social Class

In the **social class** system (the focus of this chapter), people can move up or down in the hierarchy. Sociologists use education level, occupation, and income to indicate people's class positions. Social class also includes cultural characteristics, such as tastes and preferences. Upper, middle, working, and lower classes are examples of social class categories. The United States and other democratic Global North (highly economically developed) countries (e.g., France, Denmark, Japan, Germany) operate under social class systems. The degree of movement available within class systems varies from society to society. Also, aspects of multiple forms of stratification may exist in one society. For example, throughout history, what is now the United States has exhibited slavery, caste, and class systems of inequality. While predominantly a class system today, the repercussions and influences of caste and slavery forms of inequality remain.

A society's form of social stratification relates to its **social structure** (e.g., culture, social institutions, laws). For example, in many feudal societies, a cultural belief that the royal family is ordained by God leads people to support the hierarchical structure. In the United States, a core cultural belief is that the nation is a **meritocracy**, a society in which the greatest economic rewards go to people who work the hardest and do the best work. This belief supports the class system of stratification.

CONFRONTING SOCIAL PROBLEMS 2.1

PEER TEACHING SOCIAL CLASS AND ECONOMIC INEQUALITY

What are social class and economic inequality?

In this activity, you will pair up with a classmate and teach each other about "social class" and "economic inequality" using information from this chapter, and then relate it to personal experiences.

Steps

Pair Up:

One student focuses on "social class," the other on "economic inequality."

Prepare:

Teacher: Write a quick summary of your concept from the chapter for your partner.

Learner: Jot notes about personal stories that relate to each of the concepts.

Teach and Share:

Teacher: Teach your concept to your partner.

Learner: Share your personal story that illustrates your partner's concept.

Together Discuss: Talk about how these concepts intersect and affect society, reflecting on the peer-teaching process.

Submit:

Together, on one page, provide (1) definitions for the concepts in your own words, (2) examples for each, and a (3) a brief description of how the two concepts relate to one another.

Instructor's Note

This activity works in both in-person and online classes. In-person students can use either computers or pen and paper, and online students can work together online via discussion boards, online video meetings, or email.

Check Your Understanding

1. How does economic inequality differ from economic growth or contraction?
2. What is social class? How does it differ from other systems of stratification?
3. What three factors do sociologists use to measure social class?

Explaining Economic Inequality

Learning Question

2.2 What are the two major sociological viewpoints on economic inequality?

Sociologists use theoretical perspectives and theories to understand patterns of economic inequality. As noted in Chapter 1, they are like lenses that shape what we see. For example, if we look at a green-and-red brochure through a lens that is particularly good at picking up green print, we will focus on the words in green. If we switch to a lens that highlights red ink, we will pay more attention to the red words. Likewise, looking at economic inequality through the lens of different theoretical perspectives provide very different pictures that lead to different explanations and responses. Our theoretical lenses can even influence whether we view economic inequality as a social problem at all. To illustrate this, we will now look at explanations for social inequality from two different theoretical perspectives on the topic: Social Reproduction Theory (from the Conflict Perspective) and the Davis-Moore hypothesis (from the Functionalist Perspective).

Social Reproduction Theory

Social reproduction theory, like other conflict theories, reflects the viewpoint that inequality is *bad for society*. Karl Marx's (1867/1977) idea that society is composed of groups competing for power forms the basis of this theory. According to social reproduction theorists, a system of unequal access to resources (such as money, education, nutrition, safe neighborhoods) causes economic inequality, and this leads to unequal opportunities for some groups of people, through no fault of their own. Social reproduction theorists argue that the upper classes use their money and power to make sure that this unequal access continues.

If we use social reproduction theory to examine economic inequality, we look for evidence that (1) high economic inequality levels harm society; (2) wealthier people restrict access to resources (especially by making laws that benefit the wealthy and hurt the poor); (3) talented, hardworking people experience difficulty moving up in class; (4) people tend to remain in the social class into which they were born; and (5) people born wealthy remain wealthy regardless of how hard they work (or even *if* they work!).

Davis-Moore Hypothesis

The second explanation, the **Davis-Moore hypothesis** (Davis & Moore, 1945), reflects the viewpoint that inequality is *good for society* because it ensures that people who contribute the most to society gain the most rewards.

This explanation is built on the functionalist theoretical perspective that claims a social condition (such as economic inequality) will not exist unless it serves a purpose for society. People favoring this explanation argue that people take on careers to which they are most suited and are rewarded based on their contributions to society. Economic inequality based on these different rewards inspires motivated, talented people to train for the most critical occupations and ensures that the best and brightest people will fill those jobs.

If we use the Davis–Moore hypothesis to examine economic inequality, we look for evidence that (1) economic inequality benefits society, (2) people who perform lower-level jobs are still relatively happy in their jobs because these jobs are a good fit for them, (3) people who carry out the most important tasks gain the most rewards, and (4) the most talented, hardworking people regularly enter the most important and difficult occupations, regardless of their starting social class.

Overall, we can use these two explanations of economic inequality to help us answer several questions: What causes inequality? What are its effects? Do high levels of inequality create social problems? And if so, how can we reduce economic inequality in society?

CONFRONTING SOCIAL PROBLEMS 2.2

REFLECTING ON BELIEFS ABOUT ECONOMIC INEQUALITY

What are the two major sociological viewpoints on economic inequality?

In this activity, you will reflect on what you were taught about economic inequality as you were growing up.

1. In your own words, describe the main points of the Davis-Moore hypothesis and social reproduction theory.
2. Which of these explanations comes closest to what you were raised to believe about economic inequality in the United States (or whatever nation is your home country)? Explain in a few sentences and include where you learned about inequality as you grew up.

Check Your Understanding

1. According to social reproduction theory, why does inequality exist?



We often incorrectly assume people can become wealthier if they just try hard enough.

iStockphoto.com/Tempura



The Davis–Moore hypothesis states that people with more important jobs get paid more.

iStockphoto.com/MilanMarkovic

2. According to the Davis–Moore hypothesis, why does inequality exist?

Wealth and Income Gaps: How Much Inequality Exists?

Learning Question

2.3 How are wealth and income distributed in the United States and globally?

Sociologists typically look at gaps in wealth and income to determine the extent of economic inequality. **Wealth** is the value of your assets (what you own, like a house, car, or boat) minus the value of your debts (what you owe), whereas **income** refers to money earned or received through paid work, renting out property, government benefits (e.g., a Social Security check), and the like. Sociologists examine economic inequalities at several levels. For example, they may look at inequality among people in a country, groups of people within a nation, or among the countries themselves.

Wealth Inequality in the United States and Globally

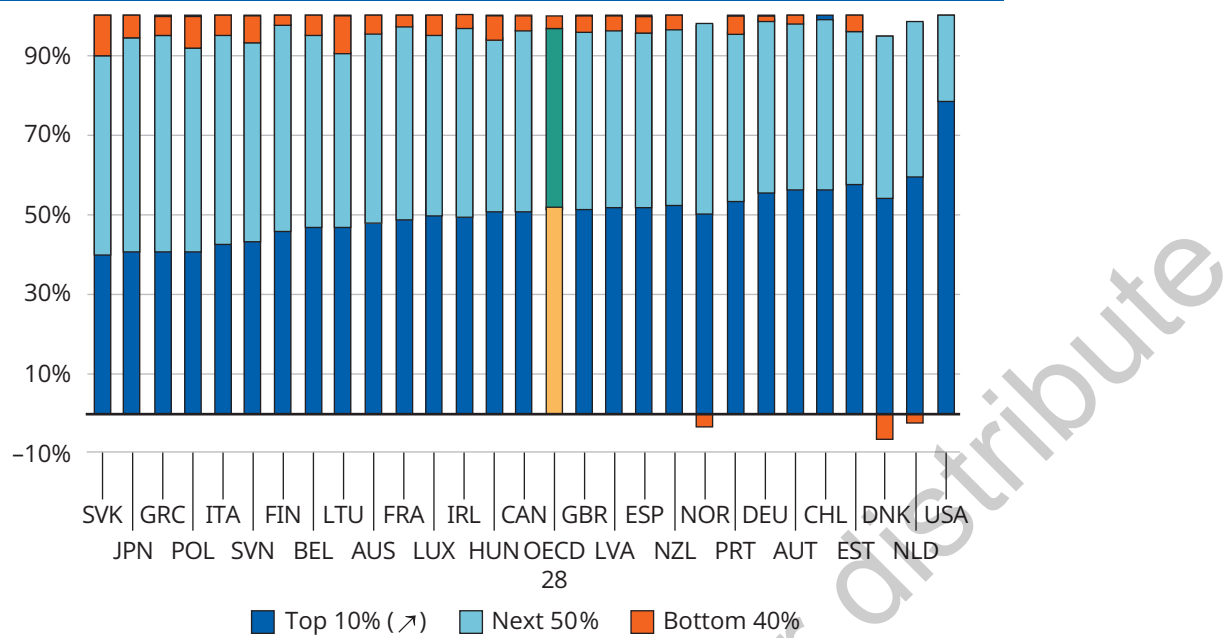
A small percentage of people own most of the world's wealth. In fact, the richest 1% of people in the world own just under half (43%) of the world's wealth (Oxfam, 2024). As seen in Figure 2.1, wealth inequality in the United States is higher than in any other Global North nation. As you will see, a country's policies and laws can create higher or lower levels of economic inequality.

As Figure 2.1 indicates, the richest 10% of U.S. households own almost 80% of the United States' wealth (Wolff, 2021). Furthermore, just the wealthiest 1% of U.S. households alone own a little more than 30% of all U.S. wealth (Federal Reserve Bank of St. Louis, 2024). In contrast, the richest 1% of French, Italian, and U.K. households own about 22% to 24% of their respective nation's wealth, and Japan's richest 1% own about 20% of Japanese wealth (Credit Suisse, 2023).

Today, there are high levels of inequality even within the top 1% of the wealthiest people in the United States. The wealthiest 0.1% of people in the United States own almost one-fifth (13.6%) of *all* U.S. wealth (Zucman, 2018). This is a huge increase from just a few years ago. In 1990, the wealthiest 0.1% of people in the United States owned 8.4% of all U.S. wealth (Federal Reserve Bank of St. Louis, 2024).

Stock ownership, or investments in publicly owned businesses, is one asset that goes into calculating wealth. Almost four out of 10 (38%) of Americans did not own stock in *any* form, including through indirect ownership such as retirement accounts (Gallup, 2023). Moreover, as of 2024, the wealthiest 10% of Americans owned 93% of the monetary value of all stocks, and the richest 1% of Americans—alone—owned 54% of the total stock value in the United States (Collins, 2024).

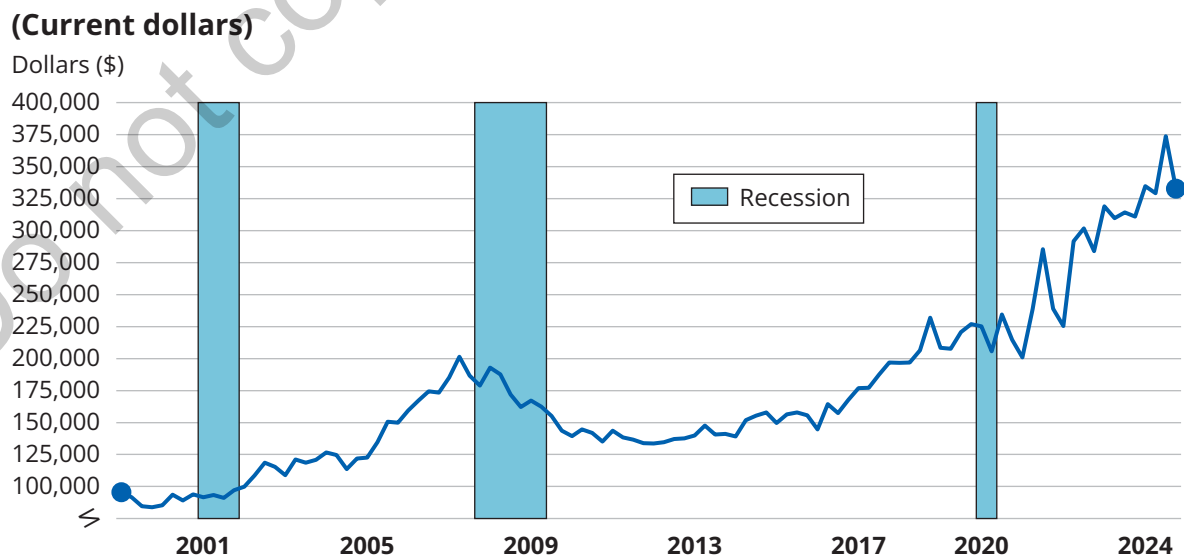
Figure 2.1 • Share of Total Net Wealth Among OECD Nations



Source: Organisation for Economic Co-operation and Development. (2021a). *Inequalities in household wealth and financial insecurity of households*. <https://www.oecd.org/wise/Inequalities-in-Household-Wealth-and-Financial-Insecurity-of-Households-Policy-Brief-July-2021.pdf>

Homeownership is another form of making wealth. As Figure 2.2 indicates, the average price of homes has increased markedly over the past 25 years (U.S. Census Bureau, 2024). This means that many homeowners gained wealth over those years. Not everyone owns their home, however. About 66% of Americans are homeowners, and rates vary by race. As of 2024, among non-Hispanic Whites, 74% owned their homes, compared to 62.2% of Asian, Native Hawaiian, and Pacific Islander; 49.9% of Hispanic; and 45.7% of Black-alone householders. Meanwhile, the cost of renting a home has also gone

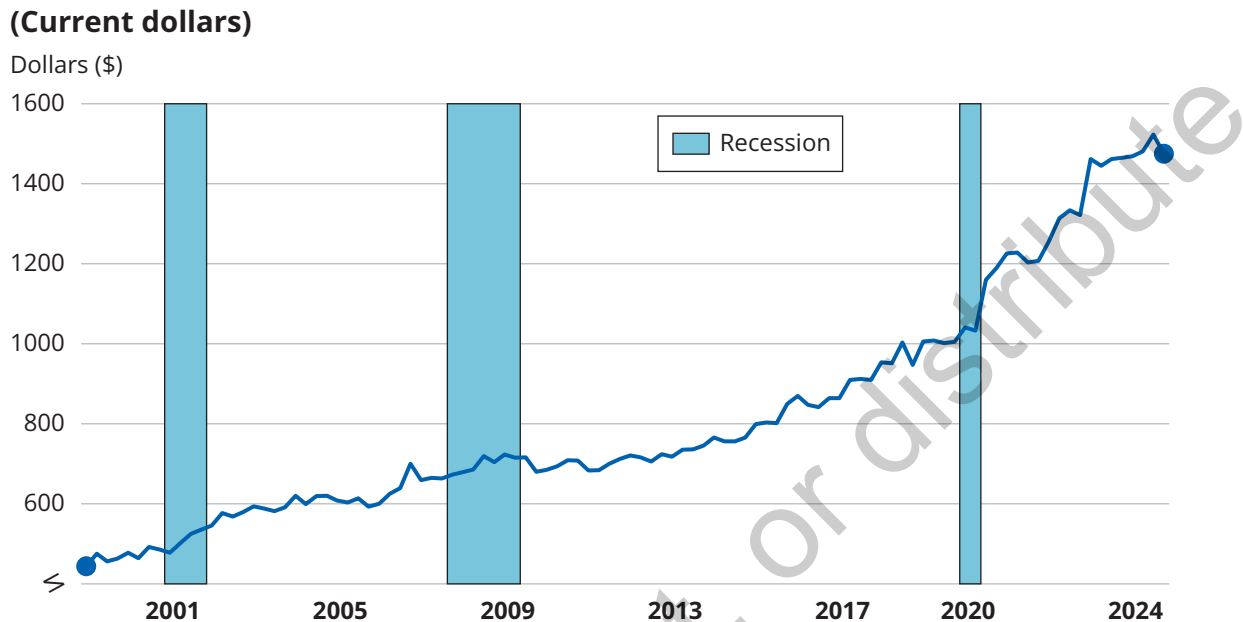
Figure 2.2 • Median Asking Sales Price for Vacant for Sale Units: 1999–2024



Source: U.S. Census Bureau. (2024). *Housing vacancies and homeownership (CPS/HVS)*. <https://www.census.gov/housing/hvs/files/currenthvspress.pdf>

way up, as seen in Figure 2.3. This means that nonhomeowners not only miss out on gaining wealth through their homes but also have to spend more and more of their income on rent (U.S. Census Bureau, 2024).

Figure 2.3 ■ Median Asking Rent for Vacant for Rent Units: 1999–2024



Source: U.S. Census Bureau. (2024). *Housing vacancies and homeownership (CPS/HVS)*. <https://www.census.gov/housing/hvs/files/currenthvspress.pdf>

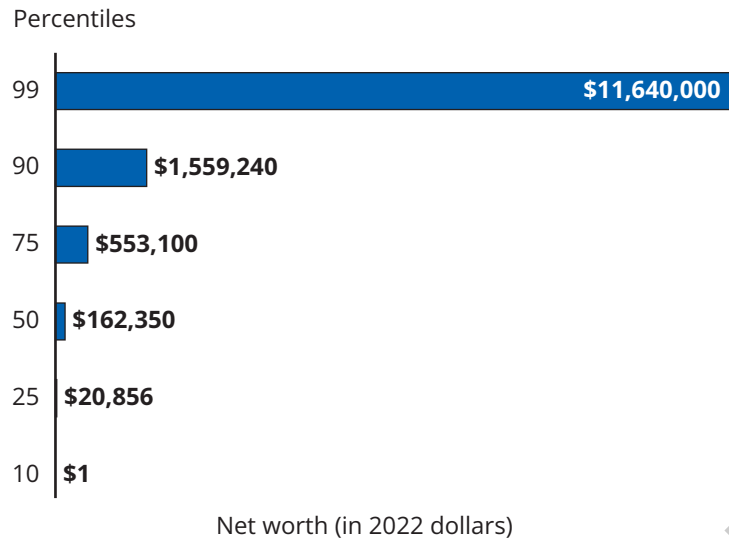
As Figure 2.4 shows, today, the poorest 10% of the U.S. population own very little wealth—on average, just one dollar. In fact, some people in the United States owe more than the value of what they own! This is referred to as **negative wealth**. Not since just before the stock market crash of 1929 has there been such a high level of economic inequality.

The cash payments given to middle- and lower-income Americans during the COVID-19 pandemic led to a steep decline in poverty, providing a good example of how policies can influence economic inequality. **Redistribution policies** are laws or procedures that allow the government to move money/resources from one group of people to another (and/or to public institutions) to reduce economic inequality. Unfortunately, as seen in Figure 2.5, poverty rates shot back up again after the government stopped these payments.

Income Inequality in the United States and Globally

Like wealth inequality, U.S. income inequality has increased over the past several decades. As Figure 2.6 reveals, between 1979 and 2020, the before-tax income of the wealthiest 1% of people in the United States grew 200% and the income for the top .01% grew much, much more—more than 500%! However, the before-tax income of the top 20% grew by less than half that amount (125%), and the pre-tax income for those in the middle- and lower-income groups grew much less (75% and 20%) during that same period (Congressional Budget Office, 2023). Meanwhile, globally, income inequality has *decreased* over the past several decades as industrialization has spread into relatively poorer countries and incomes began to increase among the poor in those nations. However, economic effects of the COVID pandemic halted progress towards reducing inequality across the world and led to the greatest increase in inequality among nations in three decades (United Nations, 2023).

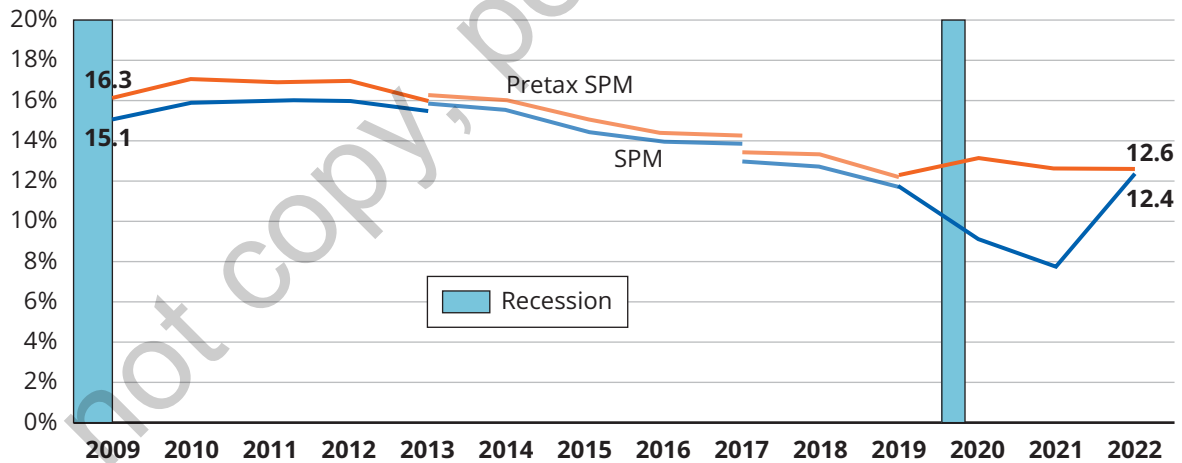
Figure 2.4 • Wealth Distribution



Source: Based on data from Jones, John Bailey, & Neelakantan, Urvi. (2023, November). Portfolios across the U.S. wealth distribution. *Federal Reserve Bank of Richmond Economic Brief*, No. 23-39. https://www.richmondfed.org/publications/research/economic_brief/2023/eb_23-39

Note: Figure 2.4 describes the U.S. household wealth distribution in 2022, using data from the Survey of Consumer Finances (SCF). At the bottom, the 10% of the wealth distribution is \$1 (in 2022 dollars), meaning that one in 10 households had virtually no wealth. In the middle, median household wealth is \$162,350. The top 10% of households had \$1,559,240 or more in wealth, and the top 1% had at least \$11,640,000.

Figure 2.5 • Share of U.S. Population in Poverty Before and After Taxes: 2009-2022



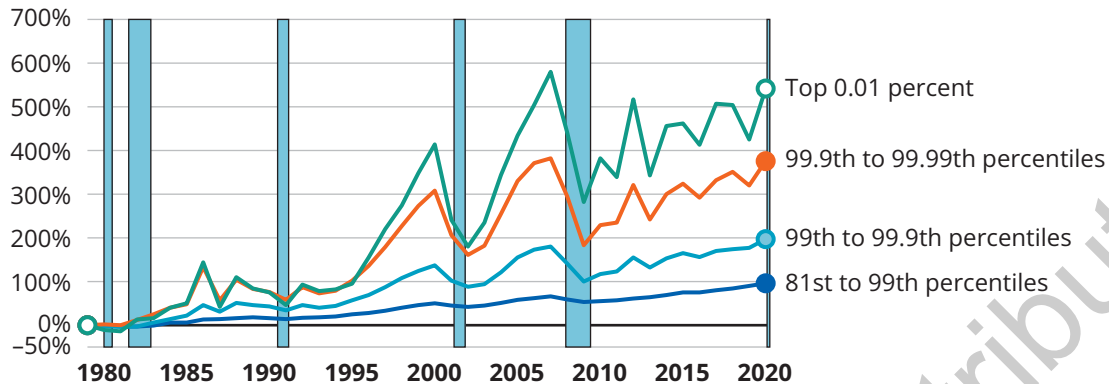
Note: Population as of March of the following year. Pretax SPM includes all SPM resources except for taxes paid, tax credits received, and any stimulus payments. Information on confidentiality protection, methodology, sampling and nonsampling error, and definitions are available at <www2.census.gov/programs-surveys/cps/techdocs/cpsmar23.pdf>.

Source: U.S. Census Bureau, Current Population Survey, 2010-2023 Annual Social and Economic Supplements (CPS ASEC). <https://www.census.gov/library/stories/2023/09/median-household-income.html>

Note: Population as of March of the following year. Pretax SPM includes all SPM resources except for taxes paid, tax credits received, and any stimulus payments. Information on confidentiality, protection, methodology, sampling, and nonsampling error.

CONFRONTING SOCIAL PROBLEMS 2.3
LOOKING AT WEALTH AND INCOME INEQUALITY

Figure 2.6 ▪ Cumulative Growth in Income Before Transfers and Taxes Among Households in the Highest Quintile, 1979 to 2020 (a) and Cumulative Growth in Income Before Transfers and Taxes, 1979 to 2020 (b)



Source: Congressional Budget Office. (2023). <https://www.cbo.gov/system/files/2023-11/59510-Slides.pdf>

How are wealth and income distributed in the United States and globally?

In this exercise, you will interpret figures on trends in wealth and income inequality.

Write your answers to the following questions and be prepared to share them.

1. Using Figure 2.2, compare the change in distribution in wealth among the top 10%, 1%, 0.1%, and 0.01% since 1979.
2. Explain what this tells you about income inequality in the United States.

Check Your Understanding

1. How unequal is the distribution of wealth and income among individuals in the United States?
2. How has the extent of wealth and income inequality among individuals changed in the United States over time?
3. How does economic inequality among U.S. individuals compare with those in other Global North countries?

The Question of Mobility

Learning Question

2.4 What is the likelihood of moving up or down in social class in the United States?

In a meritocracy, the importance, extent, and quality of your work determine your economic rewards and social class. Therefore, even if you are born into a lower social class, you should be able to work hard and move up into the middle or upper classes. This ability to move up or down in social class is called **mobility**.

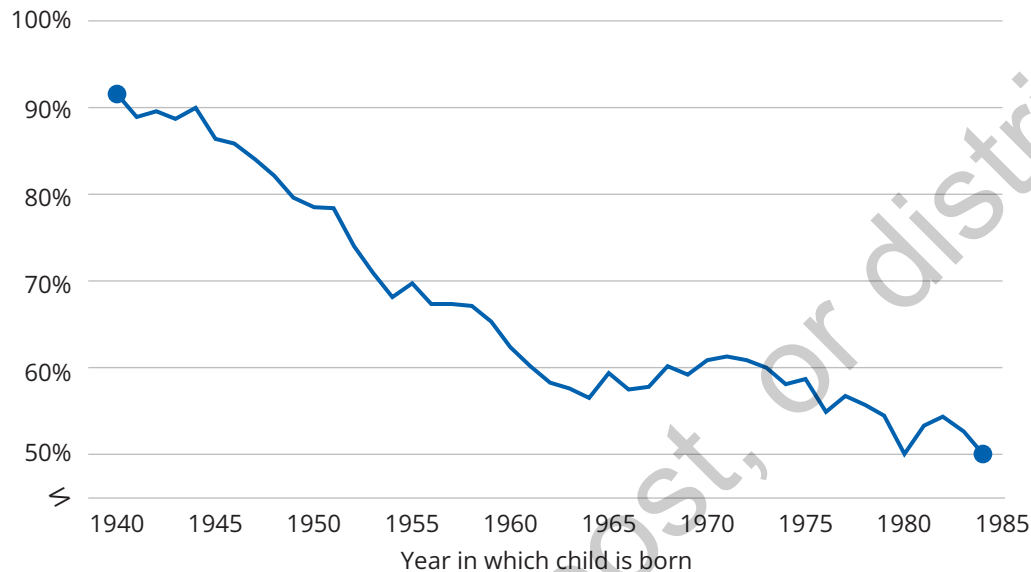
There are two types of mobility: *intergenerational* and *intragenerational* mobility. In **intergenerational mobility**, one generation moves up or down in social class compared with the previous generation. For example, a child might achieve a higher social class than their parents. In **intragenerational mobility**, an individual moves up or down in social class within their own lifetime. An example is a middle-class person who loses their job and eventually falls into the lower class.

Trends in Mobility

During most decades of the 1900s, *intergenerational* income mobility increased in the United States (Pfeffer & Hertel, 2015) and in most other Global North countries (Breen, 2004). However, since about 1980, as economic inequality has increased, intergenerational income mobility in the United States has begun to *decrease* (Pfeffer & Hertel, 2015). Figure 2.7 shows the substantial decrease in the percentage of people who earned more than their parents by age 30.

Figure 2.7 • The Fading American Dream

Percent of children earning more than parents



Source: Chetty et al. (2017).

Intragenerational income mobility has also decreased in the United States since 1980. People are less likely to move up in income brackets throughout their lives *regardless* of the social class into which they were born (Carr & Wiemers, 2016). This is an example of **social class reproduction**, remaining in the same social class into which you were born.

The decrease in both mobility types suggests that despite the myth of “pulling yourself up by your bootstraps,” the United States is not actually a meritocracy. Although merit may still play some role in people’s success, the strongest predictor of the social class they end up in is the class into which they were born.

The next section lays out the causes of increased economic inequality in the United States. If we know the causes, we can design effective solutions.

Why Mobility Has Declined in Recent Decades

In the United States, factors leading to greater economic inequality include neoliberal economic policies, globalization, a stagnant minimum wage, automation/new technology, and the decline of labor unions. These structural factors have made it more difficult for people to move up the social class ladder and have led to many falling from the middle class to the lower class. These economic forces intersect with race, gender, and other socially constructed categorizations of people, with some groups favored over others.

Neoliberal Economic Policies

Broadly speaking, **neoliberalism** is a political and economic perspective that promotes an economic marketplace free of government regulations (a free-market economic system). Neoliberal economic policies typically advocate for reducing taxes, government regulations, and workers' rights. In short, neoliberals would like to strengthen the power of corporations and weaken the influence of the government and workers.

Since 1980, neoliberal policies have lowered tax rates for corporations and the wealthy. For example, a law passed in 2017 lowered the U.S. corporate tax from 35% to 21% (Pomerleau, 2018). The highest individual federal tax rate (for the wealthiest individuals) before 1980 was 70% but has dropped dramatically since then. Today, it stands at 37% (Internal Revenue Service, 2020). Meanwhile, federal tax loopholes and deductions tend to favor wealthier people (Schlozman et al., 2017). For example, the wealthiest 1% of people (incomes of \$553,200+) paid state and local taxes on only about 7% of their income, whereas people with the lowest 20% of incomes paid state and local taxes on about 11% of their income (Wiehe et al., 2018).

Globalization

Globalization, the process of creating a world economy with few restrictions on trade, has increased economic inequality among nations and ensured that multinational corporations have more power than in the past. With improved transportation systems and computer technology, companies can operate where labor is cheapest. Without strong international organizations to counter them, multinational corporations can create their goods in nations with low taxes, few government regulations, and minimal workers' rights.

Automation/Technology

New technology has automated many of the jobs previously done by people. Although new technology also creates some jobs, they are fewer in number and many require advanced training. So people who have technological skills have relatively good chances of securing a job, but workers with few skills find themselves limited to minimum-wage jobs. This divide between people who have and do not have technological skills increases economic inequality.

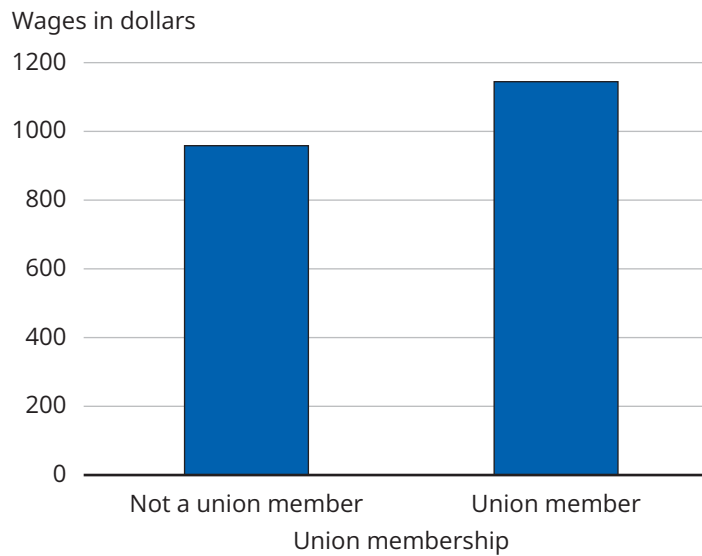
Decline of Unions

Neoliberal policies, globalization, and automation have contributed to the decline of unions. Labor unions are organizations that bring employees together to fight for better wages, benefits, and worker protections collectively. Labor union membership has boosted income and benefits, such as health insurance and paid sick days, for union members as well as for some of their nonunion counterparts in the same industry (Rosenfield et al., 2016). As seen in Figure 2.8, nonunion members tend to earn just 84% of full-time union members' median weekly earnings (\$958 vs. \$1,144) (U.S. Department of Labor, 2020).

Today, however, a smaller percentage of people are benefiting from the gains that labor unions can provide. In the past few decades, union membership in the United States has fallen from 20.1% of employees in 1983 to 10.8% of employees in 2020 (U.S. Department of Labor, 2020). Figure 2.9 illustrates this decline, which is due in part to less leverage over owners who can automate and move operations to less union-friendly places and anti-union laws and court decisions in the United States.

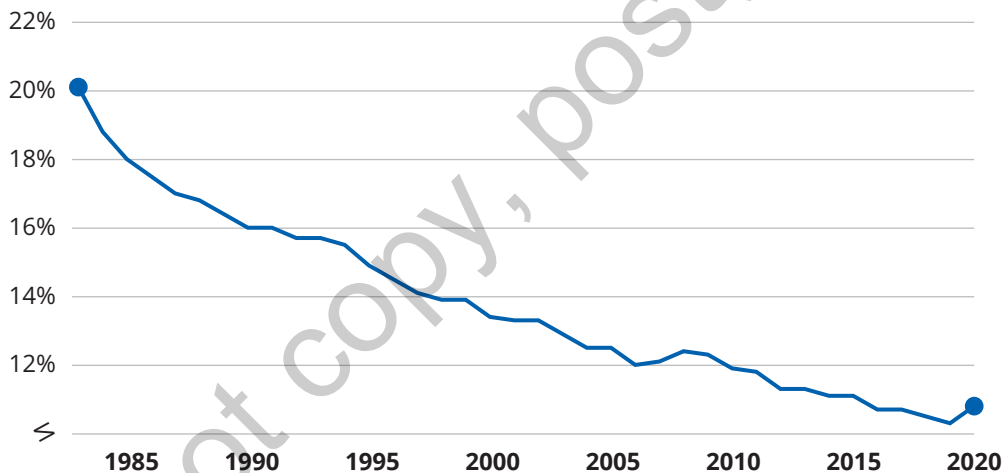
As of 2021, 27 U.S. states have adopted "right-to-work" laws (National Conference of State Legislatures, 2021). Despite the name, these laws do not guarantee anyone a job. Instead, they make it illegal for unions to require nonunion members to pay dues. But laws still require unions to represent all the employees—even those who do not pay dues. So unions must try to do the same job of representing workers' rights with fewer resources, leaving them less effective. The June 2018 *Janus v. AFSCME* U.S. Supreme Court decision affirmed the legality of so-called right-to-work laws (U.S. Supreme Court, 2018).

Figure 2.8 • Weekly Median Earnings by Union Membership—Full-Time Employees 2020



Source: United States Department of Labor. Bureau of Labor Statistics: BLS Economic News Release. (2020). *Union members— 2020*. Retrieved April 28, 2021, from <https://www.bls.gov/news.release/union2.nr0.htm>

Figure 2.9 • Union Membership (1983–2020)



Source: USA Facts. (2021, January 29). *In 2020, the number of unionized workers dropped, while the share of union members increased*. Retrieved July 23, 2021, from <https://usafacts.org/articles/labor-union-membership/>

Right-to-work laws leave both union and nonunion employees with lower pay, even when controlling for other factors that could affect wages (Gould & Kimball, 2015). They also make it less likely for employees to have health benefits (Gould & Shierholz, 2011). These limits on unions reduce their power and resources, potentially increasing economic inequality as pay and benefits continue to decrease.

CONFRONTING SOCIAL PROBLEMS 2.4

MOVING UP OR DOWN IN SOCIAL CLASS

What is the likelihood of moving up or down in social class in the United States?

In this activity, you will think about your chances of social mobility as compared to your parents.

Write your answers to the following questions. Your instructor may ask you to share your answers.

1. Do you expect to experience intergenerational mobility? That is, do you expect to end up in a higher or lower social class than your parents?
2. How does the information in this chapter inform your answer?

Check Your Understanding

1. Why is mobility essential for an actual meritocracy to exist?
2. How has the likelihood of *intergenerational* mobility in the United States changed over time? How about *intragenerational* mobility?
3. What is social class reproduction?
4. Why has mobility in the United States decreased over the past several decades?

Social Problems That Cause Economic Inequality

Learning Question

2.5 What has led to high levels of economic inequality in the United States?

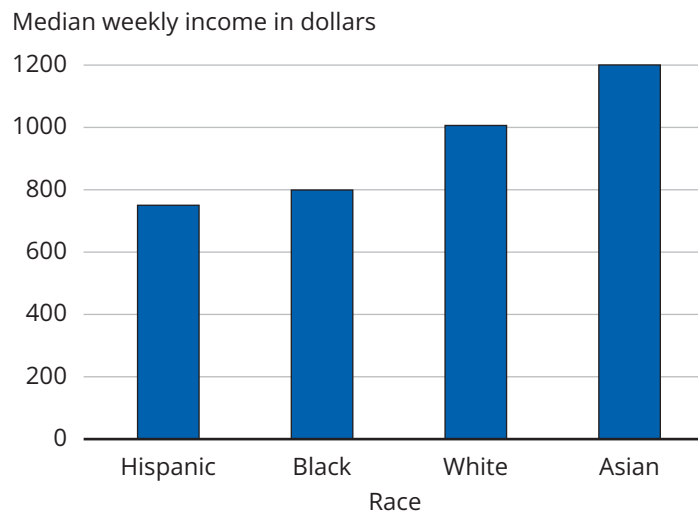
While the structural changes described above have led to higher levels of inequality in the United States and within other nations, other factors also contribute to economic inequality. Social problems such as racism, sexism, and educational inequality can create or perpetuate wealth and income gaps among various groups in society.

Racism

The United States' history of racial discrimination created structural barriers to economic opportunities for people of color that still impact many people today. From the annihilation of most American Indians, the enslavement of African Americans, and the internment of Japanese Americans to discrimination against Black and Latinx people in mortgage lending, the United States has a history of keeping income and wealth opportunities away from people of color that continues today (Edin & Kefalas, 2005; Pager et al., 2009; Patterson & Fosse, 2015). We discuss redlining's impact on homeownership and wealth more in Chapter 3.

As you can see in Figure 2.10, Hispanic and Black full-time employees earn only 75% and 79% (respectively) of what White full-time employees earn and only 58% and 62% of what Asian full-time employees earn (U.S. Department of Labor, 2021). But keep in mind that the relatively higher earnings of Asians are a bit deceiving. When we break Asians into subgroups, Southeastern Asian (e.g., Vietnam, Laos) immigrants' earnings lag behind those of Whites and of more recent Asian immigrants, who tend to have higher levels of education. You will learn more about the impact of racial discrimination in Chapter 3.

Figure 2.10 ■ Income by Race—Full-Time Workers

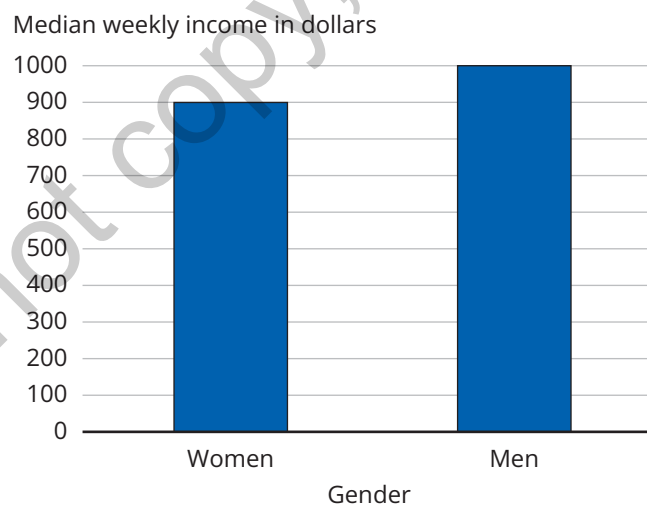


Source: United States Department of Labor. Bureau of Labor Statistics: BLS Economic News Release. (2021). *Usual weekly earnings summary: Usual weekly earnings of wage and salary workers: First quarter 2021*. Retrieved June 25, 2021, from <https://www.bls.gov/news.release/wkyeng.nr0.htm>

Sexism

Figure 2.11 illustrates gender-based income inequality. You can see that women earn 83% of what men make (U.S. Department of Labor, 2021). When comparing men and women who work the same job, women earn less than men in almost every occupation (Hegewisch & Mefferd, 2021).

Figure 2.11 ■ Income by Gender—Full-Time Workers



Source: United States Department of Labor. Bureau of Labor Statistics: BLS Economic News Release. (2021). *Usual weekly earnings summary: Usual weekly earnings of wage and salary workers: First quarter 2021*. Retrieved June 25, 2021, from <https://www.bls.gov/news.release/wkyeng.nr0.htm>

Gender discrimination creates economic inequality in several ways. First, occupations are often (unofficially) segregated by gender. Because society expects women to be the primary caretakers in a

family, women are more likely to choose jobs that provide them with the flexibility to do so, and these jobs generally pay less than other jobs. Women are expected to (and in fact do) spend more hours caring for children and doing household chores (Hess et al., 2020). There are also relatively few female mentors for women in male-dominated jobs.

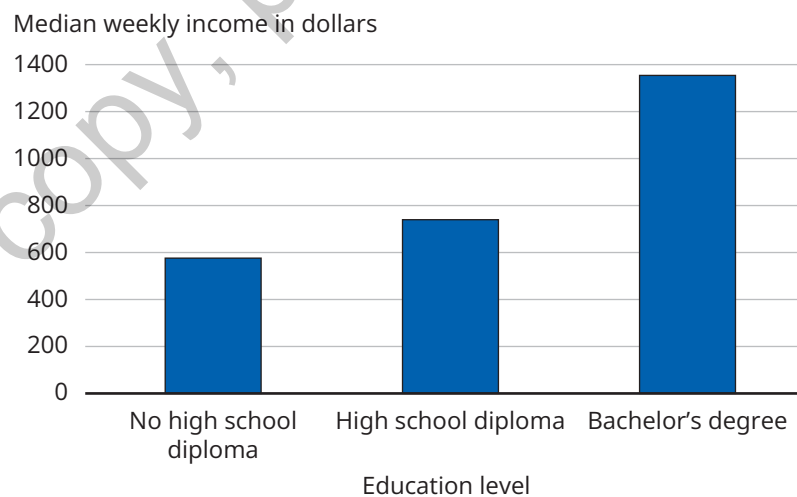
COVID-19 further increased economic inequality between men and women (Karageorge, 2020). Women's labor force participation rate fell to a 33-year low (Bureau of Labor Statistics, 2020; Ewing-Nelson, 2021; Karageorge, 2020). The industries hit hardest by the pandemic and suffered the greatest job losses, such as retail and hospitality, had mostly female employees. Many women were forced to leave their jobs to care for their children, who were at home after schools and daycares closed. Some were single parents, and others made less than their partner and felt obliged to be the one to give up their job and stay. It will likely take many years for women's economic standing to recover (Karageorge, 2020). These patterns have been even stronger for Black and Latina women, people without a college degree, and young workers (Credit Suisse, 2020, p. 37). We discuss all this in more detail in Chapter 4.

Educational Inequalities

As Figure 2.12 shows, different education levels also can lead to income inequality. Full-time employees ages 25 and older who did not graduate from high school earn only 43% of what a four-year college graduate working full-time makes. High school graduates working full-time earn 56% of college graduates' earnings (U.S. Department of Labor, 2021).

A college education increases the chances of upward mobility for those in the lower classes. But as you will read more about in Chapter 13, neighborhood and regional inequalities in funding for the U.S. K–12 education system make it tough for people born in low-income areas to gain the necessary skills for college admission and success. Additionally, many states have reduced their funding for universities, so schools have had to increase tuition to cover their expenses (Koch, 2019), obliging many students to work many hours a week, leaving little time to study (Carnevale, 2019).

Figure 2.12 ■ Income by Education—Full-Time Workers Age 25 and Older



Source: United States Department of Labor. Bureau of Labor Statistics: BLS Economic News Release. (2021). *Usual weekly earnings summary: Usual weekly earnings of wage and salary workers: First quarter 2021*. Retrieved June 25, 2021, from <https://www.bls.gov/news.release/wkyeng.nr0.htm>

By contrast, wealthy children enter an elite school-to-career “pipeline.” They attend expensive first-rate preschools, followed by well-funded, high-quality public schools or elite private K–12 preparatory schools that groom them for college. These children tend to attend exceptional state or private four-year colleges or (for the wealthiest children) elite Ivy League universities such as Harvard or Yale. Children

fortunate enough to be born into the upper class are thus prepared to enter prestigious, well-paying, powerful occupations. These include high-level careers in law, business, and finance—areas where they can maintain their strong influence on policies that benefit the wealthy.

Social and Cultural Capital

In addition to exposure to stronger formal education, wealthier children develop valuable **social capital**, connections to people who can help them access jobs or other positions to advance in society. Wealthy children are more likely to have prestigious connections that can help them get ahead. For example, someone from an upper-class family may have a family friend who can help them obtain a coveted position clerking for a prominent judge, whereas a working-class person's family friend may be able to help them get a cashier position at the local diner.

Children from higher social classes also benefit from **cultural capital**, or the informal knowledge, tastes, and preferences learned in a specific social class. For example, middle-class children may know more than working-class children about the timeline and expectations for applying to college. Middle-class cultural capital makes navigating middle-class institutions, such as college and white-collar workplaces, much easier. This paves the way for entering and succeeding in college, as well as prestigious, well-paying occupations.

CONFRONTING SOCIAL PROBLEMS 2.5

INEQUALITY AND MOBILITY

What has led to high levels of economic inequality in the United States?

In this activity, you will use your creative thinking skills to illustrate the factors that contribute to economic inequality.

1. Write a fictional short story with a pen or pencil that shows that you understand at least one of the factors that contributes to economic inequality. The story should be three to five paragraphs. It can feature a single character or a group of people.
2. Read your story to a partner and discuss what each of you showed that you learned about factors that contributed to economic inequality. Be prepared to share what you learned with the class.

Check Your Understanding

1. How do race, gender, and education level relate to economic inequality?
2. What are cultural capital and social capital, and how do they affect mobility?

Social Problems Caused by Economic Inequality

Learning Question

2.6 What are some social problems caused by high levels of economic inequality?

High levels of economic inequality—regardless of how much money each person has—create problems for individuals and entire societies. These problems include physical and mental health problems, human rights violations, society's loss of talented people's contributions, limited social class mobility, environmental problems, violence, and government problems, just to name a few. In fact, this chapter on economic inequality comes first because it connects to all the other social problems covered in this book. Be sure to keep economic inequality's influence in mind as you read the subsequent chapters.

Health Problems and Human Rights Violations

High economic inequality levels lead to higher rates of physical and mental health problems and reduced life expectancy. Lower-income people's typical lack of access to high-quality health care (particularly within the United States) contributes to lower levels of mental and physical health. Additionally, however, people in more economically unequal societies are less happy, less likely to feel like they are part of a community, less trusting, and more anxious about their social status (Buttrick & Oishi, 2017). We discuss these health inequalities in greater detail in Chapter 14. Societies with high levels of economic inequality also tend to have more human rights violations, including voter suppression, erosion of democracy (Washington Center for Equitable Growth, 2021), government repression, and elimination of basic human rights (Repucci & Slipowitz, 2021), all of which negatively impact health.

Loss of Contributions to Society

Countries with high levels of economic inequality are less likely to have occupational (Gugushvili, 2017) and income (Narayan et al., 2018, p. 141) mobility than other societies. This means that talented people from lower social classes—such as someone who has the ability and drive to become an outstanding medical doctor (or even find a cure for cancer!)—may not have the opportunities needed to achieve their goals. In these cases, inequality hurts both individuals and society—which loses the benefits of their potential contributions.

Harm to the Environment

Too much economic inequality also creates unequal levels of political power, which makes it harder for poorer people to prevent the placement of pollutants in their neighborhoods. For example, in Japan, residents are used to negotiating with companies about pollution and keeping it under control. However, the growing power, money, and privilege gap between the residents and industry representatives has reduced residents' bargaining power and led to a decline in air quality in urban Japan's residential and commercial areas (Kasuga & Takaya, 2017). High levels of economic inequality also lead to increased consumption, which encourages more production and depletes natural resources. We discuss these issues in Chapter 8.

Increased Violence

Rates of violent crimes, including homicide (McLean et al., 2019; Wilkinson & Pickett, 2009) and intimate partner violence (Yapp & Pickett, 2019), are higher in counties, states, and countries with higher levels of economic inequality. In fact, economic inequality is one of the best predictors of homicide rates (Ferguson & Smith, 2021). Non-violent property crimes are also higher in U.S. neighborhoods with higher economic inequality levels (Metz & Burdina, 2018).

Government Instability

Finally, high levels of economic inequality produce numerous problems for governments. As inequality rises, governments tend to become less stable (Houle, 2019). Economic inequality creates political polarization (Winkler, 2019) and is associated with terrorism (Korotayev et al., 2021) and antigovernment demonstrations (BBC, 2019). For example, most people arrested at the 2021 U.S. Capitol insurrection were “have nots” who had a history of serious financial problems (Panetta, 2021). Another example is Brazil, whose protestors over the past several years have been demanding better public resources (OECD, 2021b). High economic inequality levels can even lead to support for authoritarian leaders (Sprong et al., 2019).

Problems for Individuals

High economic inequality levels also affect individuals' everyday lives. Countries with more economic inequality have higher suicide rates (Padmanathan et al., 2020), higher overall death rates (Elgar et al.,



AP Photo/Mateus Bonomi/AGIF (via AP)

2020), and lower life expectancies (Szczepaniak & Geise, 2021) for their populations. People in countries or areas with high economic inequality levels are also more likely to be sick (Massa & Chiavegatto Philo, 2021), are less happy (Szczepaniak & Geise, 2021), have higher anxiety and depression levels (Haugan et al., 2021), and have less trust in others (Yang & Xin, 2020) than people living in countries with less economic inequality.

Economic downturns can exacerbate inequality and play havoc on individuals and families as we saw during and after the Great Recession of 2008. One of the key reasons both the Trump and Biden administrations gave cash relief during the pandemic was to mitigate economic inequality and its negative effects. They understand that economic inequality fuels political instability.

CONFRONTING SOCIAL PROBLEMS 2.6

SOCIAL PROBLEMS AND ECONOMIC INEQUALITY

What are some social problems caused by high levels of economic inequality?

In this activity, you will consider the social problems that result from economic inequality.

1. List three social problems created by economic inequality.
2. List two questions you still have about the relationships between social problems and economic inequality.
3. List one thing that you learned from this chapter about economic inequality that surprised you.

Check Your Understanding

1. Why should you care about how much economic inequality exists in society?
2. What kinds of problems can high levels of economic inequality create for society?

3. What kinds of problems can high levels of economic inequality create for individuals?

Solving the Social Problem of Economic Inequality: Policies, Movements, and Action

Learning Question

2.7 What can we do to reduce economic inequality?

As you have read, government policies can create and exacerbate economic inequality or address and reduce it. How can you get your government to confront economic inequality? Here's a hint: Sociological tools can help you do so!

Evaluating Solutions

As you evaluate potential solutions to economic inequality, it will help to revisit social reproduction theory and the Davis–Moore hypothesis. They provide criteria by which to measure successful solutions. As you will see, both perspectives suggest ways to reduce high levels of economic inequality that will strengthen societies and benefit individuals.

Solutions Based on Social Reproduction Theory

To review, social reproduction theory states that powerful people's control of resources and laws limits poorer people's resources and opportunities, which creates excessive economic inequality. A successful solution based on social reproduction theory would ensure that

- people born rich don't stay rich simply because they were born into wealth and people born poor don't stay poor simply because they were born into poverty;
- similar resources for economic success are available to everyone, regardless of social class;
- talented, hardworking people can achieve their occupational and financial goals, regardless of their class of origin; and
- laws and policies do not advantage some people over others.

Solutions Based on the Davis–Moore Hypothesis

Recall that this perspective states that economic inequality is good because it ensures that people are willing to do the most difficult and important jobs (for the most rewards) and that people take the jobs they are most capable of doing well. However, hard evidence shows that when levels of economic inequality become *too* high, they harm individuals and society.

A successful solution based on the Davis–Moore hypothesis would ensure that

- the smartest, most talented people enter the most important and challenging jobs, and they are happy and fulfilled in those jobs;
- people enter jobs that best fit their skills, talents, and work ethic, ensuring that society overall benefits from a good person–job fit;
- people move up in social class if they are talented and work hard;
- people are not rewarded if they do not contribute to society, even if they are born rich; and
- the most difficult and important jobs pay the most.

Consider the aims of both perspectives as you evaluate the policies that countries have implemented.

U.S. Policies That Decreased Economic Inequality in the Past

Remember, U.S. economic inequality has not always been as extreme as it is today. Government policies have helped reduce economic inequality during various times in the history of the nation. We now look at two collections of such policies: the New Deal and the War on Poverty.

The New Deal

The New Deal era, from 1933 to 1939, was a collection of programs and regulations devised by President Franklin D. Roosevelt's administration to reverse the high unemployment rates and financial system collapse brought on by the Great Depression (Berkin et al., 2011). Programs such as the Public Works Administration boosted employment by hiring people to build roads, bridges, airports, and other elements of U.S. infrastructure. Laws such as the Glass–Steagall Act of 1933 ensured that the risky bank practices that brought on the Great Depression could no longer occur (Krugman, 2012). The New Deal also provided direct money transfers to those in need. For example, the Food Stamp Plan redistributed tax revenue to poor people to help them buy groceries (Moran, 2011).

New Deal programs helped bring about economic recovery and reduced economic inequality (Billington & Ridge, 1981). Workers' rights were written into law. The National Labor Relations Act of 1935 guaranteed workers the right to form labor unions and engage in collective bargaining for better wages and working conditions (Kennedy, 2001). The Fair Labor Standards Act of 1938 established a maximum number of weekly hours employees could work, set a minimum hourly wage, and made child labor illegal. Many workers' wages rose as a result, even as weekly working hours fell (Clements, 2008).

These programs, along with the effects of World War II, helped the economy recover and the poor, working, and middle classes gain more income and opportunities to climb the social class ladder. In 1928, just before the Great Depression, the richest 1% of Americans received about 24% of all U.S. income; by 1940, after New Deal programs went into effect, their share had decreased to about 16% (Piketty & Saez, 2013).

The War on Poverty

Although the New Deal helped reduce inequality, poverty rates were still high, ranging from 19% to 22% between 1959 and 1964, and even higher for children and adults over age 65 (Semega et al., 2017a). President Lyndon B. Johnson declared a war on poverty and initiated a collection of poverty-fighting programs, including Head Start, Work Study (to help college students fund their education), Medicaid (health insurance for impoverished people), and the Job Corps, and expanded funding for subsidized public housing and community health centers. President Johnson also increased Social Security payments and created Medicare (health care coverage for people over age 65) to reduce senior citizens' poverty rates (Bailey & Danziger, 2013).

Although some analysts claim the War on Poverty failed (because poverty still exists), the policies did help reduce U.S. poverty rates, especially for senior citizens, as shown in Figure 2.13. Between 1963 and 1973, economic inequality decreased, with wages growing for low earners and remaining steady for high earners (Bailey & Danziger, 2013).

Today, some of the War on Poverty programs still exist, but a comprehensive, well-funded government approach to combating poverty and economic inequality has given way to neoliberal policies that focus on benefiting big businesses. The result is higher levels of economic inequality.

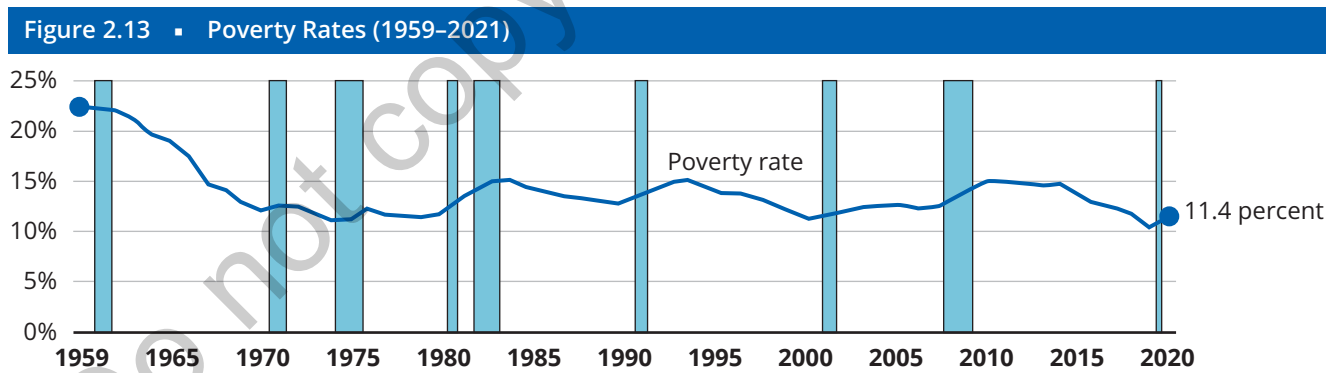
Current Policies and Economic Inequality

There is no “quick fix” for high levels of economic inequality. We must consider each country's political and social circumstances to successfully address it. However, if we know what causes economic inequality and what policies have successfully reduced it, we can start working toward a solution.



This 1935 poster urges citizens to take advantage of the recently passed Social Security Act—one of many elements of the New Deal that helped to decrease economic inequality during the Great Depression.

Granger



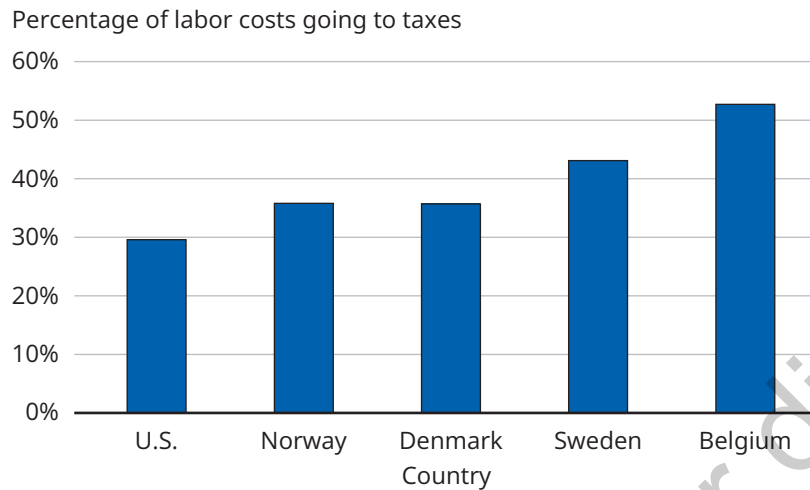
Source: U.S. Census Bureau. (2021). <https://www.census.gov/content/dam/Census/library/visualizations/2021/demo/p60-273/Figure8.pdf>

Economic Redistribution Policies

Countries with higher tax rates generally have less income inequality and higher mobility rates. As Figure 2.14 shows, the typical tax rate for a single, childless U.S. worker with an average salary is low compared to those for workers in other Global North nations. While the United States does redistribute tax money, its tax rates are lower and less progressive than those of other Global North nations. As Figure 2.15 reveals, Ireland, Belgium, and Denmark, among many other countries, have substantially reduced their income inequality by 41%, 37%, and 36% (respectively) by implementing progressive tax

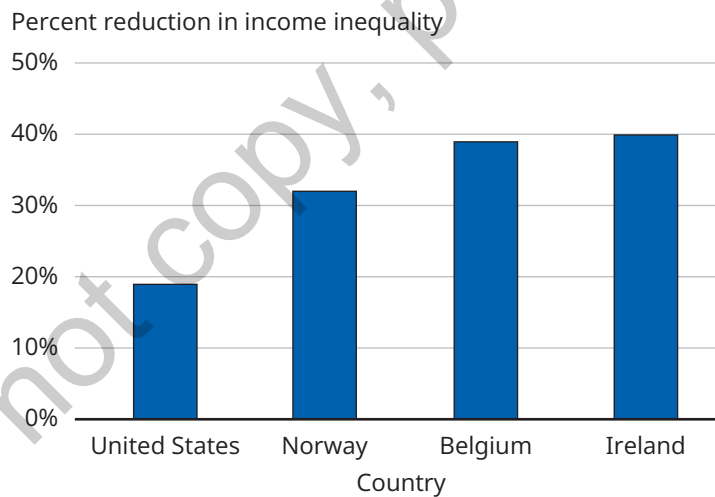
policies and cash transfers. U.S. redistributive policies are comparatively minimal, resulting in only an 18% reduction in income inequality (OECD, 2018, p. 10). Progressive tax policies are the first step in economic redistribution and in reducing economic inequality.

Figure 2.14 ■ 2020 Employee/Employer Combined Taxation Rates by Country



Source: Adapted from Organisation for Economic Co-operation and Development. (2021c).

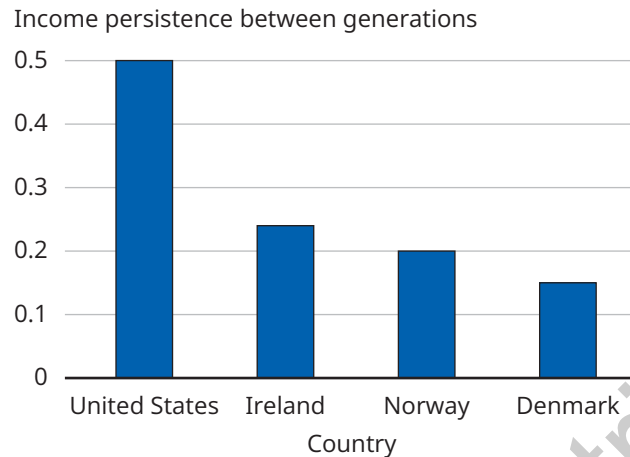
Figure 2.15 ■ Percent Reduction in Income Inequality Through Redistributive Policies



Source: Adapted from Organisation for Economic Co-operation and Development. (2018, p.10).

Redistribution policies that reduce economic inequality can also increase intergenerational mobility. For example, as Figure 2.16 shows, in Nordic countries (such as Denmark), people's incomes are much less closely associated with their parents' incomes than they are in the United States (Narayan et al., 2018, p. 141).

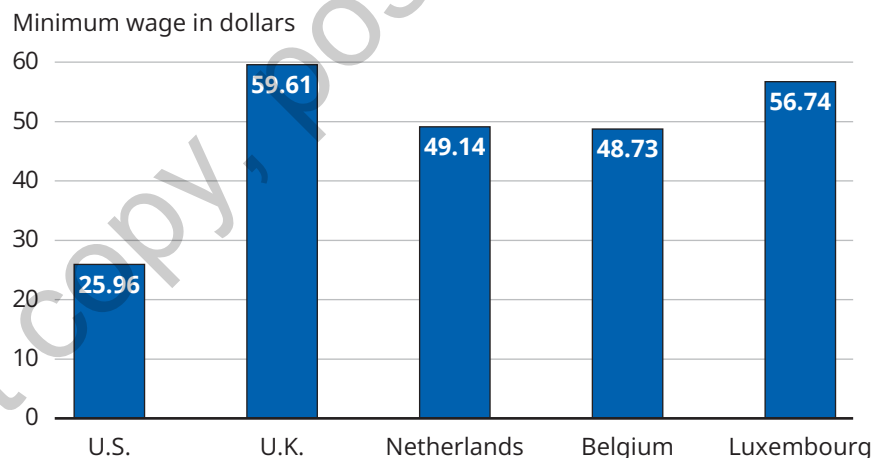
Minimum-wage laws also influence economic inequality. In contrast to several other Global North countries (see Figure 2.17), the United States has suppressed the federal minimum wage to very low levels

Figure 2.16 ■ Social Class Reproduction by Country

Source: Adapted from Narayan et al. (2018, p. 141).

Note: Higher numbers reflect less mobility.

that have not kept up with inflation or economic growth. This means each dollar buys fewer goods than it used to buy (see Figure 2.18). Raising the federal minimum wage would boost the incomes of millions of workers and reduce income inequality.

Figure 2.17 ■ 2019 Hourly Minimum Wage by Country in U.S. Dollars

Source: Organisation for Economic Co-operation and Development. (2021c).

Note: Although many U.S. states have raised their minimum wage, many more have remained at this low federal level (Economic Policy Institute, 2021).

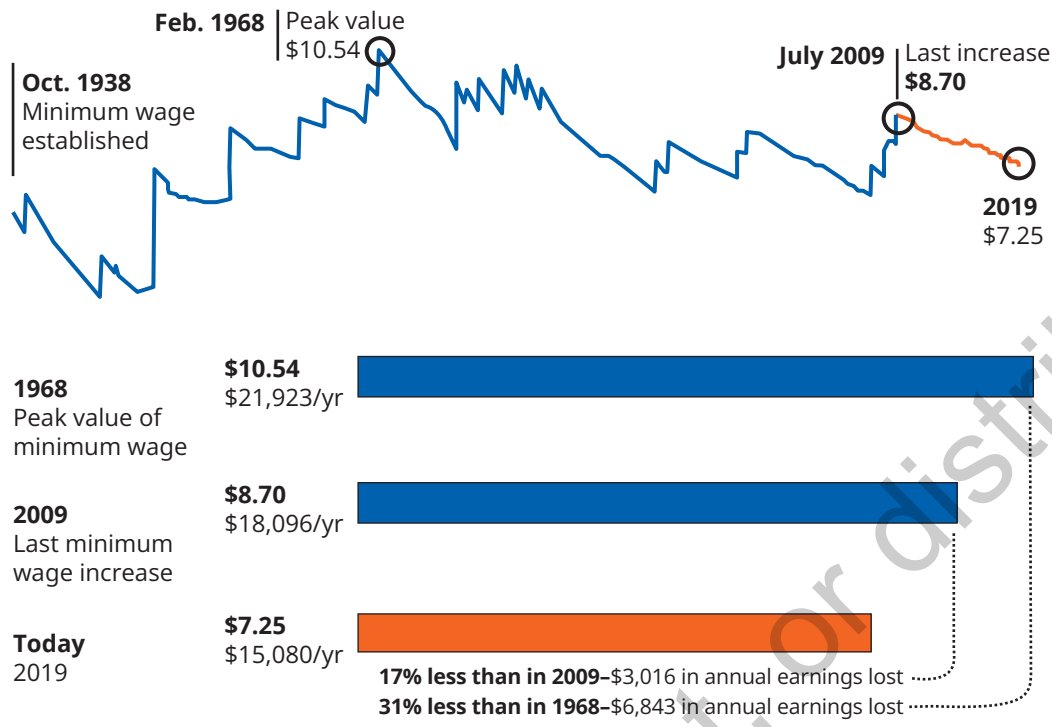
Solutions Involving Labor Unions

As we saw with New Deal legislation, ensuring workers' and unions' rights is another way to reduce economic inequality. But the reverse has happened in the United States as labor union membership and power have declined. As noted earlier, labor union membership has dropped to almost half of what it was three decades ago (U.S. Department of Labor, 2020).

Strengthening unions involves investing in infrastructure (that will create more union jobs), ensuring that unemployment insurance meets the needs of laborers, and increasing voting rights (AFL-

Figure 2.18 ■ Decrease in Purchasing Power of U.S. Minimum Wage, 1968–2019

Real value of the minimum wage (adjusted for inflation)



Source: Reproduced with permission from Cooper, David, Gould, Elise, & Zipperer, Ben. (2019, August). Low-wage workers are suffering from a decline in the real value of the federal minimum wage. *Economic Policy Institute*. Retrieved July 23, 2021, from <https://www.epi.org/publication/labor-day-2019-minimum-wage/>

Note: **Real value of the minimum wage** (adjusted for inflation)

CIO, 2021). Unions can also benefit from laws that protect the right to join unions, prohibit the importation of products made with forced labor, and include laborers as stakeholders in all relevant bills (AFL-CIO, 2021). In many cases, elected officials vote directly on these issues, so contacting them with your opinion on them may sway their vote.

Social Movements to Reduce Economic Inequality

When many people get together to try to make a change in society, they may create a social movement. Social movements have existed throughout U.S. history. Several social movements geared toward reducing economic inequality have developed in recent years. One example is the \$15/hour minimum wage movement.

The \$15/Hour Minimum Wage Movement

Begun in 2012 when 200 fast-food workers in New York City organized and walked out of work to demand higher wages and union rights, the movement has spread across the nation and the globe. Low-wage workers from all sorts of occupations (including adjunct professors) have joined the movement and pressured elected officials to support their efforts. Since 2014, 30 states and Washington, D.C., have raised their minimum wage. As of 2021, California, Connecticut, Florida, Massachusetts, New Jersey, Illinois, Maryland, and Rhode Island have passed laws to incrementally bring their minimum wage to \$15.00 an hour, and pressure is mounting on Congress and the president to raise the federal minimum wage as well (EPI, 2021).

How Sociological Tools Can Help Us Understand and Address Economic Inequality

This chapter provides many examples of policies, past and present, that impact levels of economic inequality. You can start working toward reducing economic inequality by using your sociological imagination to recognize how large-scale forces, such as our economic policies and our cultural beliefs about why people are poor, affect your life and the lives of others. You can then use sociological frameworks like social reproduction theory and the Davis–Moore hypothesis to evaluate proposed social programs and policies. You can also join a social movement to push government officials to enact those that will reduce inequality.

Many sociologists put their skills to work at nonprofit and government organizations, as community organizers, researchers, and program evaluators. For example, Jonathan Fuentes (see the “Sociologist in Action” box) uses his understanding of culture and institutions to help people find jobs. Likewise, researchers at the nonprofit Economic Policy Institute in Washington, D.C., look for social patterns in economic inequality, track new government policies on wages and taxes, and critically evaluate how power plays a role in the creation of laws. Like others who do sociological work and activism every day, you can be an effective part of the change you want to see in society by using the sociological tools you have gained.

Sociologist in Action

Using Sociology to Help People Get Better Jobs

Jonathan Fuentes

As an undergraduate student in sociology, I learned how institutional and cultural factors can shape an individual’s opportunities and life chances. Today, I work in case management and realize how these factors impact clients’ lives and their ability to access a very important resource—employment. The data collection and analysis skills I obtained as a sociology major also help me understand my clients’ needs and customize a plan for them that takes into account the impact of societal forces.

As an employment case manager for Catholic Charities, I assist low-income clients with their job searches through résumé building, applying for jobs, and preparing for interviews. When a client seeks help with their employment search, the solution is not always as straightforward as creating a résumé. Often, my clients deal with problems that expand past the scope of employment. In addition to services directly related to finding a job, I also assist with preventing evictions and utility disconnection, providing financial assistance to families, improving food security, and making referrals to other organizations for additional services.

Before addressing my clients’ needs, I conduct an intake. This allows me to learn in depth about a client’s life and their current situation. Through a series of questions, I collect information on the clients’ demographics, life events, income, education, and employment history. I then identify factors that can limit a client’s access to employment, which helps me create a descriptive baseline and framework that I can reference when seeking services and resources for the client. Cultural, social, institutional, or even physical factors outside of the control of my clients can constrain their potential employment outcomes.

I once worked with a client who was a doctor in his home country. He was authorized to work in the United States; however, he did not speak English fluently. This created a barrier to employment, as he could not communicate during interviews. Another client I assisted had just finished a graduate program in the medical field but had recently lost a job and transitioned into a homeless shelter. Most job applications require a home address. Once the housing issue was resolved, we discovered that the brief event of homelessness had led to a lowering of his credit score. This could have become another obstacle to finding employment, as it has become common practice for employers to require a credit review in addition to a background check.

Ultimately, my work in case management is geared toward helping clients meet their needs. To do so, I have to make sense of the information a client provides. By using data collection and analysis

skills, I can note and understand the structural and cultural factors that shape a client's life experience. With that knowledge, I can assist my clients by creating alternative pathways to employment.

Jonathan Fuentes graduated from St. Mary's College of Maryland with a bachelor's degree in sociology. He worked as an employment case manager at Catholic Charities in Washington, D.C., and is currently a graduate student at the University of Mannheim.

Discussion Questions: How have structural and cultural factors, such as those Jonathan describes, affected your ability to get a job? Why?

CONFRONTING SOCIAL PROBLEMS 2.7

REDUCING ECONOMIC INEQUALITY

What can we do to reduce economic inequality?

In this activity, you will evaluate solutions to reducing inequality.

Write your answers to the following questions.

1. Which approaches to reducing inequality given in this section of the chapter best meet the criteria for a "good" solution according to social reproduction theory?
2. Which approaches to reducing inequality given in this section of the chapter best meet the criteria for a "good" solution according to the Davis-Moore hypothesis? Be sure to include the page number or section heading to show where you found the approach in the text.

Check Your Understanding

1. What policies has the United States implemented in the past to decrease economic inequality?
2. What policies have other Global North nations used to successfully reduce economic inequality?
3. What current policies support high levels of economic inequality in the United States?
4. How can you use sociological tools to reduce inequality in the United States?

Conclusion

This chapter reveals how economic inequality can motivate people to work and contribute to society, but too much inequality harms both individuals and society. It also provides examples of how you can use your sociological skills to help reduce economic inequality. Your knowledge of the power of social structure can help you evaluate and propose policies that address economic inequality. In Chapter 3, you'll read about a related social problem with serious negative consequences—racism—and what you can do to combat that as well.

Review

1. What are social class and economic inequality?

Social class is a position in a hierarchical society, defined by education, occupation, and income. In a class-based society, upward or downward movement is permissible. Economic inequality refers to the income and/or wealth gap among individuals, groups, or countries.

People often remain in the social class in which they were born, in part because high levels of economic inequality make it difficult to move up or down in social class.

2. What are the two major sociological viewpoints on economic inequality?

Social reproduction theory maintains that high economic inequality levels exist because of conscious efforts of the wealthiest people, who want to keep their advantages in society. Social reproduction theorists also argue that too much economic inequality is bad for individuals and society and does not allow talented, hardworking people to reach their full potential. People who favor the Davis–Moore hypothesis believe some economic inequality is good because without it, people would not invest money and time to get the training to do difficult jobs (e.g., medical doctor).

3. How are wealth and income distributed in the United States and globally?

Within the United States, wealth and income are distributed very unequally, with the wealthiest 1% owning almost 40% of all U.S. wealth (vs. the poorest 80%, who own only 10% of U.S. wealth). Although economic inequality exists around the world, many other Global North countries have smaller wealth gaps. Economic inequality within the United States has grown sharply since the late 1970s. On the global level, economic inequality has decreased somewhat *among* nations but *increased* within nations. Women and people of color are especially likely to be on the lower end of the wealth and income scales.

4. What is the likelihood of moving up or down in social class in the United States?

Since the early 1980s, mobility has decreased in the United States. Social class reproduction is now much more likely than it was in the decades before 1980, especially for people born into the wealthiest and poorest families. As economic inequality increases, the likelihood of moving into a different social class than the one into which you were born decreases. Mobility is more likely in many other Global North nations than in the United States because of those countries' strong redistribution policies that reduce economic inequality and promote mobility. Racist and sexist policies and other structural factors also limit mobility for members of nondominant groups.

5. What has led to high levels of economic inequality in the United States?

Neoliberal policies, globalization, automation, and the decline of unions have increased economic inequality. Other social problems, such as racism, fixed gender roles, and educational inequalities, also contribute to economic inequality.

6. What are some social problems caused by high levels of economic inequality?

High levels of economic inequality lead to physical and mental health problems, human rights violations, society's loss of talented people's contributions, limited social class mobility, environmental problems, violence, and political instability.

7. What can we do to reduce economic inequality?

There are several ways to reduce economic inequality, including progressive taxation policies, wealth redistribution, a higher minimum wage, and strengthening unions. You can help tackle economic inequality by using sociological concepts and skills to help inform and promote inequality-reducing policies and social movements, and by fighting racism and sexism. You can also work in a helping profession as a paid employee or volunteer.

Discussion Question

1. Why should you care about how much economic inequality exists in your society?

Key Terms

Cultural capital

Davis–Moore hypothesis

Economic inequality

Globalization

Income

Intergenerational mobility

Intragenerational mobility

Meritocracy

Mobility

Negative wealth

Neoliberalism

Redistribution policies

Social capital

Social class

Social class reproduction

Social reproduction theory

Social structure

Stratified

Wealth

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