

Immigrant associations depend heavily on funding from the French government. Most immigrant associations receive some funding from the Fonds d'Action Social (FAS), a government funding source established in 1958. Training programs were added during the 1970s, and in the mid-1980s under the socialist government of Francois Mitterrand, efforts on the part of government agencies and neighborhood associations to improve the plight of immigrants were better coordinated, laws restricting the right of foreigners to organize associations were repealed, forced expulsions ended, and 130,000 illegal workers were regularized. Currently there are approximately 5,000 immigrant associations in existence, with SOS Racisme and France Plus as two of the most prominent. Political activity is tempered by awareness that government funding is jeopardized if the specificity of a group's politics offends the values of the French republic. Thus, many established immigrant associations suffer from a lack of credibility among the most disadvantaged immigrant youth—those rioting in French cities in November 2005.

The majority of immigrants were part of the working class until the 1970s, when the economic slowdown resulted in the loss of jobs. By the beginning of the 1990s, the unemployment rate for immigrants was twice that for "native" French nationals. Alec Hargreaves suggests that internationally, there has always been a low-skilled, poorly paid labor reserve that could be tapped in the event of need by industrialized countries. This reserve labor used to reside in colonial outposts or elsewhere in the Third World and could be recruited into France, among other countries. Currently, this reserve labor lives within the borders of the industrialized countries and can no longer be considered a temporary phenomenon. This situation produces major conflicts over citizenship status and the provision of social services.

—Charlotte Collett

*See also* Activism, Social and Political; Anti-Immigrant Politics; Identity Politics; Urban Uprisings, United States

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## IMMIGRATION

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*See* ANTI-IMMIGRANT POLITICS; FREE MOVEMENT ACTIVISM

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## IMPERIALISM

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*See* ANTI-IMPERIALISM

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## INCOME INEQUALITY

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Income inequality is a major dimension of social stratification and social class. It affects and is affected by many other forms of inequality, such as wealth, power, and status. Income is a major determinant of the life chances, health, and well-being of individuals and families, and varies by social factors such as sex, age, rural/urban location, and race or ethnicity.

On a global level, income inequality is extreme by any measure, with the richest 1% of people in the world receiving as much as the bottom 56%. Within the United States, income inequality is much greater than in most other developed countries. In 2003, the richest 1% received more income than the bottom 40%, and the top 20% of U.S. households received almost half of total income (see Table 1).

Because income is such an integral factor determining access to other resources and overall well-being, it is important for anyone concerned with justice and social change to become informed about the kinds, nature, extent, causes, and consequences of

**Table 1** Share of Aggregate Income Received by Each Fifth and Top 5% of Households, U.S., All Races, 2003

	<i>Share of Aggregate Income</i>					
	<i>Lowest Fifth</i>	<i>Second Fifth</i>	<i>Third Fifth</i>	<i>Fourth Fifth</i>	<i>Highest Fifth</i>	<i>Top 5%</i>
All Races	3.4	8.7	14.8	23.4	49.8	21.4

*Source:* Adapted from U.S. Census Bureau, Historical Income Tables—Households (Table H-2) (<http://www.census.gov/hhes/income/histinc/h02ar.html>).

income inequality, the degree to which it can and should be reduced, and the ways in which misconceptions, differing values, and entrenched interests distort public policy regarding income. The focus here is on income inequality in the United States and globally.

### Kinds of Income Inequality

One's occupation is a central basis for differences in income for most people. In more developed countries such as the United States, wages and salaries are the major source of income for most households, while property is a major source for the most affluent. Income inequality can be studied within countries, between countries, or across the world's population, without regard to national boundaries.

Despite popular belief that income inequality largely reflects individual differences in talent and motivation, there are also significant structural and cultural causes, such as segmented labor markets, discrimination, institutionalized racism and sexism, gender roles, and family responsibilities. Other legal, political, and economic factors such as corporate power, degree of private versus public (or common) ownership and control of resources, collective-bargaining frameworks, and minimum-wage laws also affect income levels independently of individuals' traits. Income inequalities can have different implications for levels of well-being in different countries, depending on whether other basic needs such as housing, health care,

and food are largely market based, and on whether people have access to productive resources such as land, water, and technology.

### U.S. Income Inequality

In 2003, the top 5% of U.S. households received 21.4% of aggregate income, while the lowest fifth received 3.4% (see Table 1). Income inequality in the United States has been rising since 1979, with the exception of a brief decline in the early 2000s. From 1979 to 2000, average after-tax income increased by 9% (\$1,100) for the bottom fifth of the population, 15% (\$5,500) for the middle fifth, and by 201% (\$576,400) for the top 1%. There are also sharp income disparities by race (see Table 2), age, and sex. While the male/female wage gap in the United States has been decreasing, in part due to declining wages for men, gender disparities still persist. Black and Hispanic families, and female-headed households, are more likely to be poor, or near-poor, than other households.

A principal cause of rising income inequality in the United States over the past 2 decades has been the erosion of wages for less educated workers, along with tax cuts disproportionately benefiting the richest households. This decline in real wages is linked to a number of factors, such as the loss of manufacturing jobs in the United States, the decline in the percentage of unionized jobs with benefits, the decline in the real

**Table 2** Mean Household Income Received by Each Fifth and Top 5% of Households by Race, U.S., 2003

<i>Race</i>	<i>Lowest Fifth</i>	<i>Second Fifth</i>	<i>Third Fifth</i>	<i>Fourth Fifth</i>	<i>Highest Fifth</i>	<i>Top 5%</i>
All Races	\$9,996	\$25,678	\$43,588	\$68,994	\$147,078	\$253,239
White*	\$11,556	\$28,618	\$47,848	\$74,353	\$157,061	\$272,772
Black**	\$5,873	\$16,548	\$29,608	\$48,339	\$101,212	\$163,699
Hispanic***	\$8,588	\$20,969	\$33,273	\$51,386	\$108,126	\$181,430
Asian****	\$9,226	\$31,619	\$55,536	\$85,895	\$167,590	\$266,087

\* "White Alone, not Hispanic"

\*\* "Black Alone"

\*\*\* "Hispanic, of any race"

\*\*\*\* "Asian Alone"

*Source:* Adapted from U.S. Census Bureau, Historical Income Tables—Households (Table H-3) (<http://www.census.gov/hhes/income/histinc/inchhtoc.html#3>).

value of the minimum wage, and the growth of service-sector jobs, many of which are lower paying.

Data comparing the United States to other countries on income and other measures of inequality show an often startling picture. Although the United States is the fourth richest country on earth, based on gross domestic product (GDP) per capita, it has the greatest level of income inequality among the 20 highest ranking countries in the U.N.'s Human Development Index (see Table 3). With a Gini index of 40.8, the United States ranks 76th in income inequality, alongside such countries as Ghana and Cambodia. (The Gini index is a measure of income inequality that ranges between 0, indicating perfect equality, and 100, indicating complete inequality.)

Inequality breeds poverty, and the United States is 17th among wealthy countries on the U.N.'s human poverty index. Among the aforementioned 20 countries, the United States has the second lowest life expectancy, and the highest under-five mortality rate. Within the United States, life expectancy and mortality rates vary among different racial and ethnic groups, with African Americans particularly having shorter life expectancy, and higher mortality rates than other groups. These differences can be linked in large part to income inequality and to higher poverty rates.

### Global Income Inequality

Many development theorists contend that currently high levels of income inequality in developing countries should eventually decline (Simon Kuznets' inverted U-curve). Although the evidence supporting this hypothesis is inconsistent and much debated, with rapid but uneven development taking place in many countries, it is clear that levels of global inequality remain extreme, with persistent high numbers in absolute poverty.

**Table 3** Income Inequality Measures for 20 Countries Ranking Highest on UN Human Development Index

HDI Rank	Country	Year of Survey	Gini Index@	Share of national income or consumption by:	
				Poorest 10%	Richest 10%
1	Norway	2000	25.8	3.9	23.4
2	Iceland*	...	...	...	...
3	Australia	1994	35.2	2.0	25.4
4	Luxembourg*	...	...	...	...
5	Canada	1998	33.1	2.5	25.0
6	Sweden	2000	25.0	3.6	22.2
7	Switzerland	1992	33.1	2.6	25.2
8	Ireland	1996	35.9	2.8	27.6
9	Belgium	1996	25.0	2.9	22.6
10	United States	2000	40.8	1.9	29.9
11	Japan	1993	24.9	4.8	21.7
12	Netherlands	1999	30.9	2.5	22.9
13	Finland	2000	26.9	4.0	22.6
14	Denmark	1997	24.7	2.6	21.3
15	United Kingdom	1999	36.0	2.1	28.5
16	France	1995	32.7	2.8	25.1
17	Austria	1997	30.0	3.1	23.5
18	Italy	2000	36.0	2.3	26.8
19	New Zealand	1997	36.2	2.2	27.8
20	Germany	2000	28.3	3.2	22.1

\* = Data not available

@ = A score of 0 would be perfect equality; a score of 100 would be perfect inequality.

Source: Adapted from United Nations, Human Development Report 2005, Table 15 ([http://hdr.undp.org/statistics/data/pdf/hdr05\\_table\\_15.pdf](http://hdr.undp.org/statistics/data/pdf/hdr05_table_15.pdf)).

According to the World Bank, nearly 20% of the world's population receives less than \$1 per day, and nearly half of humankind lives on less than \$2 per day. Such poverty produces low levels of education, sanitation, nourishment, and medical care, and high rates of child labor and exploitation, and child and infant mortality. Approximately 50,000 people, the majority of them children, die daily from preventable causes.

While the poorest one fifth of humanity receives one third of 1% of global income (per capita about \$85 per year), the wealthiest countries with only 15% of the world's population receive 80% of global income (about \$27,500 per capita). Wealth inequality is even more unequally distributed. According to the United

Nations, the assets of the top three billionaires are more than the combined gross national products of all the least developed countries and their 600 million people.

## **Reducing Inequality**

### ***How Much?***

The extreme income (and other) inequalities in the United States and the world are not inevitable. However, efforts to address income inequality must confront ideologies justifying inequality as the natural (and hence fair) outcome of individual differences in skills, talents, and effort, ignoring structural causes. Some analysts have suggested that the poorest deciles could receive a larger share of income and much improved life prospects without seriously diminishing the life prospects of the wealthiest 10% or 20%. If people in the wealthiest 30 countries were to transfer 1.2 cents out of every dollar they received, for example, they could triple the incomes of the poorest 20% of humankind. Charles Clark has shown how the United States could achieve a basic income for all Americans that would eliminate poverty, with net gains for the lower 60%, a modest cost of \$1,092 per person annually for the fourth quintile, and a cost of \$20,034 per person for the top quintile (in 1999 dollars). Such a system could be phased in over time so that no one's income declined, but the highest quintile incomes would increase at a slower rate.

While reducing income inequality in the United States might reduce overall GDP growth, it could find justification from contemporary liberal conceptions of justice, if it resulted in sustainable improvements in major indicators of well-being, such as the health, educational, and employment prospects of the less advantaged part of the population. Contractualists such as John Rawls argue that, so long as basic human rights are respected, social policies that bring the least advantaged up to a minimum of income and other social goods should be more acceptable to impartial persons than alternatives that maximize growth benefiting the better off, while hurting those who are worse off.

Defenders of current levels of income inequality must show that some more fundamental moral norm, such as a libertarian right to private property, takes

precedence over the right to a minimum of income security and opportunity. Or they must show empirically that any policies designed to reduce inequality will so reduce efficiency and the total pie, that the share for the least advantaged would be lower than they currently receive.

### ***How?***

Policies to address income inequality can focus narrowly on individual skills, opportunities, and aspirations, or may focus more broadly on altering the social, political, and economic structures that create and maintain income inequality.

#### ***Policies That Indirectly Reduce Income Inequality***

Income distribution is affected indirectly by patterns of taxation and ownership. Overall economic inequality is affected by policies that provide public goods, such as health care and education, leaving a larger proportion of individuals' incomes to be spent on other goods.

Wealth redistribution, through steeper inheritance taxes, promotion of broader ownership (e.g., greater worker ownership), or through socialization or redistribution of capital and land equally to all citizens, are ways to reduce income inequality indirectly, as they will equalize the unearned income that derives from ownership of wealth. Enforcement of affirmative action and nondiscrimination policies by employers, governments, and educational institutions, and policies such as child care that enable people to enter the labor market, should also affect income inequality, through facilitating greater access to higher income jobs. Globally, debt forgiveness and reform of trade agreements so that they are more to the advantage of the least advantaged in each country can reduce income inequality and other forms of inequality, averting a race to the bottom.

#### ***Policies That Directly Reduce Income Inequality***

Income inequality can be reduced directly by decreasing the incomes of the richest and/or increasing the incomes of the poorest. Policies focusing on

the latter include increasing employment or wages, and transferring income.

The range of employment-related policies includes strengthening collective-bargaining rights, full employment schemes, living wage policies, stronger minimum-wage laws, and wage subsidies. Direct income transfer policies include traditional means-tested and conditional cash welfare payments. There is also renewed interest in unconditional transfers such as a negative income tax (currently available only to the working poor at a low level as an Earned Income Tax Credit), and non-means-tested universal basic income.

On a global level, there are various proposals to generate revenue (such as the Tobin tax on financial transactions or a global tax on resource use) that could be used for direct income transfers, as well as for other forms of development assistance to reduce poverty and inequality. With continued global instability and environmental degradation linked to inequalities in income and other resources, and growing global awareness of inequality, such policy efforts will continue to be critical not only for ethical reasons, but also for the sake of national security and global survival.

—Valerie J. Carter and Michael W. Howard

*See also* Anti-Globalization Movement; Fair Trade; George, Henry; Liberalism; Libertarians; Living Wage Movement; McGovern, George; Paine, Thomas; Rawls, John; Socialism; United for a Fair Economy; Welfare Rights Movement

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## INDIAN MASCOT PROTESTS

Native American imagery has been used as mascots and symbols for public schools, universities, and professional organizations since the latter part of the 19th century. This practice has sparked controversy since its inception regarding the consequences these symbols have on Native American people, as well as society as a whole. Locally, individuals sought to alter Native American stereotypes, but a large organized effort did not commence until the latter part of the 1960s. As media attention grew, so did the momentum to eliminate all negative stereotypes of Native Americans.

Supporters for the ban of Indian mascots believe that they foster painful memories, trivialize and stereotype Native Americans, and also distort historical reality. The images chosen by many schools include a person who is overtly aggressive and violent. Names utilized include the Chiefs, Braves, and Redskins. These portrayals do not allow for the diversity among Native American cultures to be seen when all individuals are put under an umbrella label. This is viewed as very offensive in that historically Native Americans were conquered people so that they are seen through this image only after they were conquered. Other problems arise from the imitation or misuse of symbols that have religious significance to Native American people. These are typically taken out of context and used by many non-Native American people during a sporting event and not during a religious ceremony.

Those in opposition to this change maintain that these mascots honor or pay tribute to Native Americans and that many of these mascots are steeped in tradition. These arguments center on power and perspective. In the end, who gets to determine what is offensive? Some organizations maintain that they are working with Native American groups to honor and protect them. Another key argument used is that of the best of intentions. Organizations, especially those in the field of education, must use best practices. Inaction in the face of racism is racism. The best examples seen today are Florida State University Seminoles and the University of Illinois Chief Illiniwek mascots. The attempt to remove Chief Illiniwek has been chronicled in the 1997 PBS