



Mind the income gap: Rich-and-poor divide continues

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Greg David's recent blog post on income inequality ("Flash: Inequality falls dramatically in NYC") leaves out an important part of the story. Yes, incomes of the top 1% fell during the 2008-09 recession, and the top 1% share of total income declined. But since then, income polarization has clearly resumed.

Berkeley economist Emmanuel Saez reported in early March that the top 1% of households nationally captured a whopping 93% of the income gains in 2010, while incomes were stagnant for the rest.

Tax data for 2011 have not yet been released, but continued high unemployment, together with soaring dividends, business income and capital gains, point to a continuation of the 2010 trend.

—Frank Mauro, Executive director
James Parrott, Deputy director and chief economist
Fiscal Policy Institute