

## **Income Inequality**

A lot of people seem to think that the differences in the average income levels of the top twenty percent of income earners and bottom twenty percent is a policy-relevant measure of income inequality. But the significance of such quintile inequality depends on the preferred definition of equity, and wealth inequality and income mobility during typical lifetimes. For example, there are a lot of college students in the bottom quintile, and in a year there is ~50% turnover in the bottom US quintile. A key Thomas Sowell finding that only 2.6% of the people stay in the bottom quintile all their lives needs updating.

This is an important area of research because inequality concerns seem to be powerful motivators of political participation; for ill, objectively, if driven by fallacies, and in any event, a solid basis for concern about unwise reforms. For example, income inequality was a key issue in the 2021 Chile regime change, and what scholar Axel Kaiser (2020) had already described as "[The Fall of Chile](#)."

Revisit this page, periodically, to observe our progress in this research area. Hopefully, by your next visit, we will have a request for a proposal posted. Once we have an analysis completed, we will commission a review from a scholar likely to be a basis for civil, informed disagreement, and create conversation forums for further assessment. To be involved in any aspect of the process, e-mail us at: [IOPAChief@policytalk.org](mailto:IOPAChief@policytalk.org)