

# Making Sense of Extreme Inequality

## Scaffolding to Complex Text

### Lesson Packet #9 – September 2016

*The Change Agent* <[changeagent.nelrc.org](http://changeagent.nelrc.org)>

**Description:** Use these four articles from *The Change Agent* to examine extreme inequality and to consider the policy changes over the past 50 years that have increased wealth and income inequality. During the course of this lesson, students will be scaffolded to a fairly complex text. Depending on class level, this lesson packet could be spread out over a few days.

**Level:** These texts are levels 5-11 (grade level equivalent).

**Purpose:** The aim of this activity is to provide students with engaging, relevant stories that expose extreme inequality, point to policies that reinforce inequality, and support students to read a fairly difficult (GLE 11) text. The first three articles set the scene, raise questions, and use math skills to build understanding – all of which provides the scaffolding to support intermediate students to take on a denser and more complex text.

#### CCR Standards Addressed:

**Reading Anchor 10:** *Read and comprehend complex literary and informational texts independently and proficiently.*

**Number and Operations:** *adding, multiplying and dividing (in a real-world situation); using percentages.*

**Interpreting data:** *creating a bar graph; reading an infographic.*

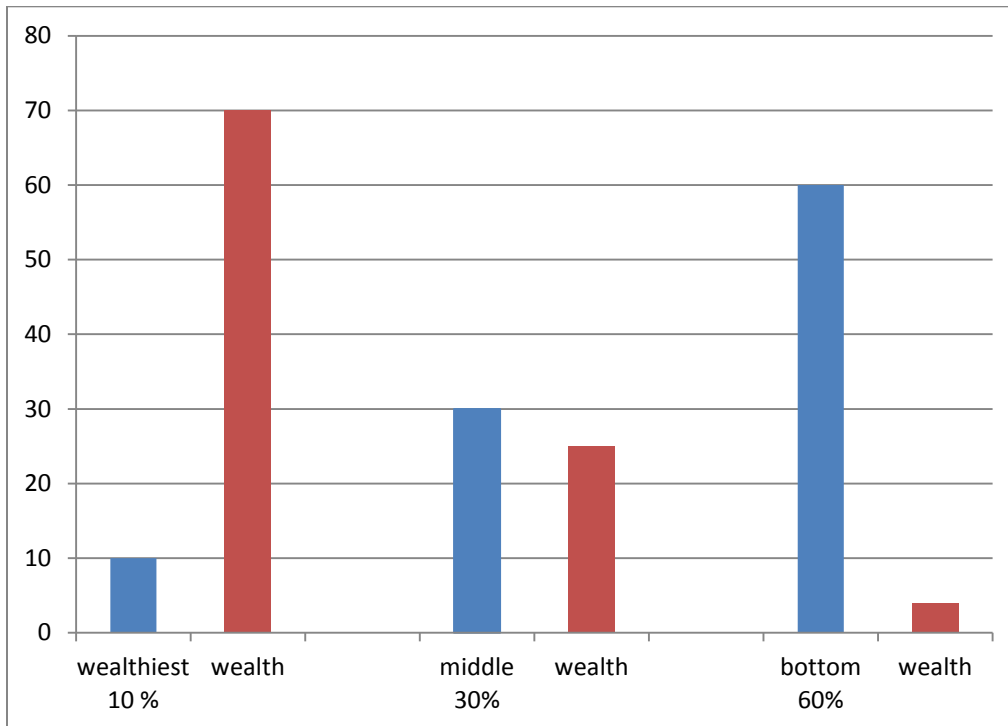
**Materials:** PDFs of four articles from *The Change Agent*:

1. “Growing Up with Not Enough” (Level 5)
2. “Redecorating in a Recession” (Level 5)
3. “Stress: The Silent Illness” (Level 8 – but this is very short) + graphic “Where is the Wealth?”
4. “Nobody Makes it on Their Own” (Level 11) + graphic “How do we CODDLE the super-wealthy?”

#### Classroom Steps:

1. Introduce the concept “extreme inequality.” Ask students whether they’ve heard this term. What does it mean to them? What are some examples of it that they have seen?
2. Read “Growing Up with Not Enough.” What are some of the ways that extreme poverty affected this writer?
3. Read “Redecorating in a Recession” and do the math problems. (You will need to teach some vocabulary related to the redecorating list: For example: credenza, sconces, commode, etc.)

4. Next, read “Stress: The Silent Illness.” Discuss: What are some ways financial stress can affect your health?
5. Do the “Where is the Wealth?” activity below the “Stress...” article. The picture depicts 10 people – each representing 10% of the population. If the students are familiar with percents, this won’t be difficult, but some pre-teaching about percents could be useful. Students could work in pairs to think together about how to do the activity. [Note to the teacher:
  - a. One person (the guy in the top hat) represents the top 10% of the population; he is in possession of 71% of the wealth (banks, resorts, mansions, the S.S. Money, etc.). Students should draw a circle around all that to set apart the wealth of the top 10%.
  - b. The small group of three people (middle right) represents the 30% that make up the mid-range wealth-owners. They own 25% of the wealth symbolized by a modest car and house. Students should draw a circle around this group.
  - c. The group of six (bottom right) represent the bottom 60% of the population in terms of wealth. They own only 4% of the total wealth of the nation – symbolized by the tiny car, bicycle, and house. Student should draw a small circle around these tiny objects to visually represent 4% of the total wealth. (Take this further by asking students to translate the drawing into a bar graph, which could look something like this (with blue representing the population segment and red representing the amount of wealth they own):



6. Next, students should read “Nobody Makes It on their Own.” Before reading, prepare students by considering the following:
  - a. Look at the picture of the boot and the bootstraps. What have students heard about the idea that in America, everyone “pulls themselves up by their bootstraps”? What

is ironic or even comical about the idea that you could pull yourself up by your own bootstraps?

- b. Review this vocabulary: recession, myth, idiom, fortunes, obliged, corporate taxes
  - c. Discuss the title. What do they think?
  - d. Read the first paragraph and then up to the bulleted list. Have students predict the supports they think businesses receive from the government and then compare their predictions to the list. After reading “Nobody Makes It on their Own,” ask students to say what the main points of the article are. Go back and look at the chart on the first page of the article. This chart has difficult labels (marginal income tax rate). Take the time explain this or have students explain it. What point is this chart making? Do they find it surprising?
7. Finally, study the infographic “How do we CODDLE the super-wealthy”? Ask students to say what they notice. After letting their eyes roam around the graphic and after sharing key points, try to explain the three ways taxes have changed over the last 30 years in favor of the super wealthy. (Note: this graphic might be hard to make sense of at first. It offers good practice at deciphering, but it also might be too difficult for some learners.)
  8. Have students write about how wealth inequality has affected them. What part of your livelihood do you feel you have control over? Do you have a safety net? How do you feel about your future? Where do you see yourself in the big picture?
  9. Has reading these articles changed your perspective on your own situation? What can we do about extreme inequality? Do you think government can play a role in this?

**Find more *Change Agent* lesson packets at <[changeagent.nelrc.org](http://changeagent.nelrc.org)>, as well as PDFs of magazines on a wide variety of themes, articles in audio, CCR-aligned activities, and more. All of that is available for the price of an online subscription: \$20 per teacher per year.**



# Growing Up with Not Enough

Tekesha Dones

I grew up in New York City. It was rough living. Sometimes there was food and sometimes not. It depended on my mother, whether she was too drunk to cook or too drunk to shop for food.

## Surviving on Cornflakes, Candy, and Combos

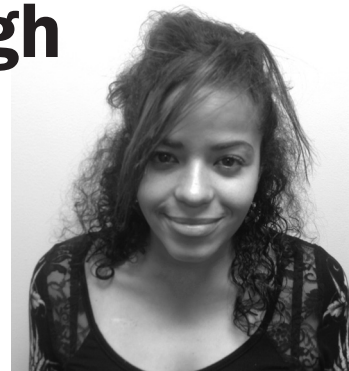
I remember one time when I was maybe ten years old, my brother and I were hungry. He cooked some rotten meat with butter, and I ate some cornflakes with peanut butter. Basically, my brother and I took care of ourselves. Sometimes my mother would go to the store and buy rice and beans, potato chips, candy, and combos (crackers with cheddar cheese inside). I would take the combos and candy and hide them under my bed.

## A Job at McDonald's Makes Things Worse

When I was 19, I was going to the Easter Seals school, and I was homeless. I met a lady who suggested that I live in her building. She was the one who taught me how to cook the basics. I got a job at McDonald's and I gained about forty pounds. Eventually I stopped working there because I wasn't making enough money to pay my bills, and my medical insurance was being cut off. It turns out it was better for me to be on public assistance than it was to have a job that didn't pay enough. After that I moved many times.

## Feeding My Daughter

By the time I became pregnant with my daughter, I was homeless again and had no food. When my baby was born, she was underweight and she failed to thrive. She almost died. The doctors wanted to put feeding tubes in her, but my mother finally jumped in and helped me. It was about time! My mother forced my daughter to eat, so tubes weren't needed. My daughter continued to gain weight little by little.



## Getting Help

When my daughter was about three years old, we moved into a place next to a very educated man who knew everything about food. He became my role model. I really admired him. He taught me how to eat right and not be afraid to try new things.

When I started at Read to Succeed, one of the teachers, Gail, talked to me about good nutrition, gave me tips about eating, and gave me good recipes. I admired her too.

A couple of years ago my daughter and I started going to soup kitchens for lunch with people from my AA meetings. We went there to eat and hang out. I would leave some chicken marinating at home for our supper. At night I would cook the chicken for my daughter and me.

## I Have Come a Long Way!

Now I go to supermarkets and read the labels. I cook healthy food like broccoli and other vegetables. I bake chicken without the skin. I make mashed potatoes or baked potatoes. I make spaghetti sauce with my own secret recipe. I have more energy. I am no longer sluggish. I get sick less often. I have come a long way from being that child eating cornflakes and peanut butter.

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*Tekesha Dones is a student at Read to Succeed in Hartford, CT. She is a single parent of her 13-year-old daughter Janae. Tekesha hopes to become a CNA in the future.*

**WANT TO FIND OUT MORE** about what it's like working at a fast food restaurant? See p. 29.

**LOOKING FOR FACTS** about hunger in the U.S.? See the box on p. 37; then take the quiz on p. 36.

# Redecorating in a Recession

Charlie Brover, Denise Deagan, and Solange Farina



In January 2009, the former CEO for Merrill Lynch, John Thain, made news for his extravagant spending. He spent lavishly to redecorate his office at a time when his company was failing and planning to lay off workers. The table on the right lists some of the items he bought.

**1. How can we get a sense of how much money Thain spent to redecorate his office?** Let's assume you work 8 hours a day five days a week for \$20 per hour. How long would it take you to make this much money? Is it reasonable to use this money to redecorate an office? Why or why not?

**2. If you had to redecorate** one room in your house, how much would that cost you? Choose a room with your group and estimate the cost of your redecorating project. How does it compare to John Thain's redecoration? (You may use furniture catalogs if available.)

**Sources:** <[www.nytimes.com/2009/01/27/business/27bank.html?ref=business](http://www.nytimes.com/2009/01/27/business/27bank.html?ref=business)>; <[www.fiercefinance.com/story/big-layoffs-coming-merrill-lynch/2008-12-01](http://www.fiercefinance.com/story/big-layoffs-coming-merrill-lynch/2008-12-01)>; <[www.cnbc.com/id/28793892](http://www.cnbc.com/id/28793892)>

*The authors are members of the New York City Math Exchange Group (MEG).*

ITEM	PRICE
Area Rug	\$87,784
Mahogany Pedestal Table	\$25,713
19th Century Credenza	\$68,179
Pendant Light Furniture	\$19,751
4 Pairs of Curtains	\$28,091
Pair of Guest Chairs	\$87,784
George IV Chair	\$18,468
6 Wall Sconces	\$2,741
Parchment Waste Can	\$1,405
Roman Shade Fabric	\$10,967
Roman Shades	\$7,315
Coffee Table	\$5,852
Commode on Legs	\$35,115
Hiring designer Michael Smith	\$800,000
<b>TOTAL:</b>	

## Note to the Teacher

How can we better comprehend the big numbers that have become the stuff of daily newspaper and TV reporting? As teachers, we wanted to pose some problems in the classroom that would help students make sense of these big numbers while engaging them in questions of economic and social fairness. We

developed “Redecorating in a Recession” as an open-ended problem with multiple solutions.

This problem gives the class a chance to think about: “What is reasonable?” “How should money be allocated in a society?”

For more on big numbers, see “Making Sense of Billions and Trillions” on p. 20.

# Stress: The Silent Illness

Alsira Valderrama

There is a silent illness known as stress. It comes from the pressure of being responsible for taking care of our family. Our responsibilities have grown. Many people are experiencing crises in their lives, such as losing their jobs or their houses or both.

We support our family here and my husband's family in Cuba.

We ask ourselves, "How can we pay the bills when our wages are the same and everything we need is more expensive?" The stress of dealing with all these financial problems results in an imbalance in our lives. It is difficult to stay physically healthy when your mental health is suffering.



Alsira Valderrama moved to the U.S. from Colombia in 1999. She is studying ESOL at the Methuen Adult Learning Center.

## Where is the Wealth?

**The top 10%** of the income-earners own 71% of the wealth.

**The middle 30%** own 25% of the wealth.

**The bottom 60%** own 4% of the wealth.

**Look at the picture on the right. Draw a circle around each grouping of people and their wealth. How did the illustrator use images of people and wealth to represent the different percentages? Does access to wealth affect access to health? Make your own drawing of how you think wealth should be shared among people.**

**Source:** *The Measure of America*, Sarah Burd-Sharps, et al., 2008, p. 6.



Illustration by Yusuf Stroud



# Nobody Makes it on their Own

Andy Nash

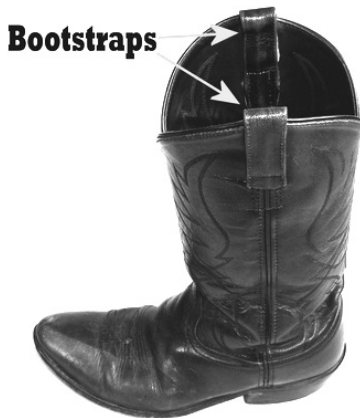
Ever since the recession, there's been a lot of talk about "job creators" – individuals whose successful businesses will provide jobs for the rest of us. Their success is usually portrayed as the result of their own hard work, exceptional intelligence, creativity and personal sacrifice. From this perspective, the government only gets in the way of business' success by taxing their profits and regulating their business practices.

## The Self-Made Myth

The idea that successful people have made it all on their own is challenged in a new book called, *The Self-Made Myth: And the Truth about How Government Helps Individuals and Businesses Succeed*. The authors interviewed dozens of wealthy business owners about how they became successful, and learned that they couldn't have done it without government and taxpayer supports such as:

- transportation systems to move their products to customers
- public schools and libraries to educate their workers
- government-funded research (which created the internet and other discoveries)
- the courts to keep the system fair
- regulations (such as food inspection)
- government services (from snow removal to bank deposit insurance)

When we consider all the ways that the government and taxpayers contribute to the creation of successful businesses, we see that we all share the credit for creating jobs. Together, we have laid the groundwork for companies to grow and prosper.

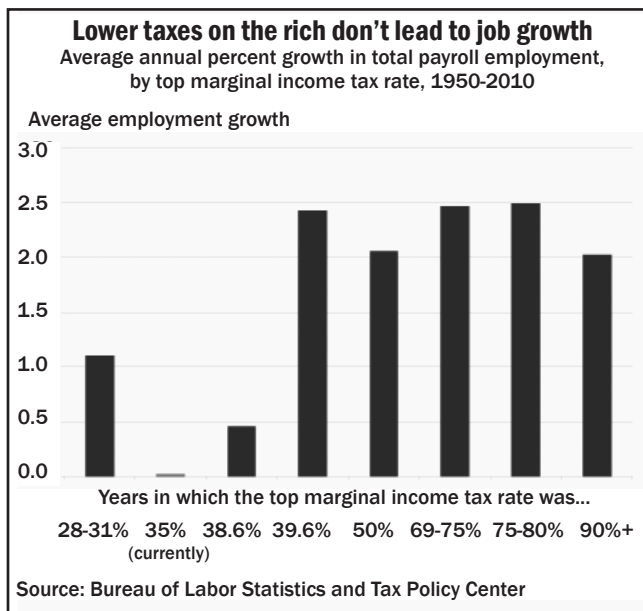


*The famous American idiom says we should all be able to "pull ourselves up by our bootstraps."*

## Businesses and Taxes

Yet, after drawing upon the public to build their fortunes, many at the top claim that they made it on their own and are not obliged to pay their full share of taxes. And their efforts to avoid taxes have paid off for them. In 1950, corporate taxes as a portion of all federal revenue were 30%. In 2009 they were 6.6%. (UFE infographic) For every dollar of workers' payroll tax paid in the 1950s, corporations paid three dollars. Now it's 22 cents.

So do lower taxes for businesses lead them to create more jobs? It doesn't seem so. In the past 60 years, many more jobs were created when the top tax rate was high, not when it was low (see chart below). During times of low tax rates, businesses have not used their tax savings to create jobs. They have banked the money, sometimes moving it offshore where it can't be taxed.





## The Common Good

The government uses our tax money to create jobs directly (hiring teachers, police, etc.) and indirectly (by providing services and infrastructure that businesses need in order to succeed). We all contribute to building the economy. Despite some business's claims to have pulled themselves up by their bootstraps, nobody makes it on their own.

And nobody deserves to take the benefits without giving back to the common good.

Andy Nash is the director of the New England Literacy Resource Center.

**Sources:** *The Self-Made Myth*, Brian Miller and Mike Lapham; <[www.alternet.org/economy/ten-numbers-rich-would-fudged](http://www.alternet.org/economy/ten-numbers-rich-would-fudged)>; <[www.americanprogress.org/issues/tax-reform/news/2011/06/27/9856/rich-peoples-taxes-have-little-to-do-with-job-creation/](http://www.americanprogress.org/issues/tax-reform/news/2011/06/27/9856/rich-peoples-taxes-have-little-to-do-with-job-creation/)>.

# How do we CODDLE the super-wealthy?

The rules that help shape our economy have been influenced by the super-wealthy over the past 30 years, and tilted in their favor. Here's how:

## 1. Huge Tax Breaks

Tax rates for our nation's wealthiest have plummeted since the 1940s. Despite historically low tax rates in the late 1990s, President Bush created more tax giveaways that flowed directly into the pockets of the wealthiest Americans.

**\$1.8 trillion** revenue lost as a result of the Bush tax cuts.

**40%** of this went into the bank accounts of Americans making over \$500,000 annually.

## 2. Preferential Tax Treatment

It pays to make money from money. A paycheck—that is, income from work—is taxed at a higher rate than income from interest on capital gains and investments, which is the main source of income for most millionaires and billionaires.

**2010 Effective Tax Rates as a % of income**

Warren Buffett	17.4%
His Secretary	36%

Our leaders have asked for 'shared sacrifice.' But when they did the asking, they spared me."  
—Warren Buffett (NY Times op-ed)

## 3. Tax Dodging and Loopholes

Wealthy corporations have become very skilled at avoiding taxes. Shifting operations overseas, creating sham headquarters in tax haven countries, and even renouncing U.S. status are all common ways of "gaming" the system.

**EXON Mobil**: \$15 billion income taxes paid in 2010; \$0 paid to the U.S.

**GE**: \$5.1 billion U.S. profits in 2010; \$0 paid in taxes.

**CORPORATE TAXES AS A PORTION OF ALL FEDERAL REVENUE**

1950	30%
2009	6.6%

Infographic created by Shannon M. for United for a Fair Economy. Excerpted and adapted slightly by Cynthia Peters. See full infographic at <[faireconomy.org/coddle](http://faireconomy.org/coddle)>. Look at the chart on p. 29 for more on wealth inequality over the years.

## Fact vs. Opinion

Use the left column to list facts and the right column to list opinions from the article and graphics.

_____	_____
_____	_____
_____	_____