INCOME INEQUALITY HAS INCREASED IN OHIO OVER THE PAST TWO DECADES

The United States was built on the ideal that hard work should pay off, that individuals who contribute to the nation’s economic growth should reap the benefits of that growth. Over the past two decades, however, the benefits of economic growth have been skewed in favor of the wealthiest members of society. In Ohio, the incomes of the richest families climbed substantially, while the incomes of the middle- and lower-income families saw only modest increases.

- In the early 2000s, the richest 20 percent of families had average incomes 6.4 times as large as the poorest 20 percent of families. This is up from a ratio of 4.9 in the early 1980s. This growth in income inequality was the 28th largest in the nation.

- In the early 2000s, the richest five percent of families had average incomes 10.7 times as large as the poorest 20 percent of families. This is up from a ratio of 6.9 in the early 1980s.

- In the early 2000s, the richest 20 percent of families had average incomes 2.5 times as large as the middle 20 percent of families. This is up from a ratio of 2.0 in the early 1980s. This growth in income inequality was the 22nd largest in the nation.

- In the early 2000s, the richest five percent of families had average incomes 4.1 times as large as the middle 20 percent of families. This is up from a ratio of 2.8 in the early 1980s.

- In the early 2000s, the income gap between the richest 20 percent of families and the poorest 20 percent was 30th largest in the nation. The income gap between the richest 20 percent of families and the middle 20 percent was 26th largest in the nation.

Between the early 1980s and the early 2000s, in dollar terms

- The average income of the poorest fifth of families increased by $3,186, from $15,030 to $18,216. This is roughly an increase of $150/yr.

- The average income of the middle fifth of families increased by $10,305, from $37,387 to $47,692. This is roughly an increase of $490/yr.

- The average income of the richest fifth of families increased by $42,884, from $74,394 to $117,277. This is roughly an increase of $2,040/yr.

- The average income of the richest five percent of families increased by $91,608, from $103,567 to $195,175. This is roughly an increase of $4,360/yr.

The chart shows these dollar changes in percentage terms.