

Title: **The impact of income inequality**

Description

This lesson enables learners to critically engage with data on the effects of income inequality, as it relates to both individuals and the incidence of health and social problems within society. Following on from the previous lesson on the gender pay gap, learners will recognise the impact of women's sustained low pay on their experiences of poverty and deprivation.

Age

14-18 (KS4+)

Aims:

By the end of this lesson learners will:

- Be able to define income inequality
- Understand the relationship between income inequality and a range of health and social problems
- Be able to recognise the gendered nature of poverty in the UK
- Be able to analyse and critically engage with graphical representations of data
- Be aware of some of the possible solutions to tackle income inequality, and explore the pros and cons of adopting different policies

Curriculum links

England

Learning objectives (secondary)

Citizenship | KS4 | the different ways in which a citizen can contribute to the improvement of their community, to include the opportunity to participate actively in community volunteering, as well as other forms of responsible activity

Citizenship | KS4 | diverse national, regional, religious and ethnic identities in the United Kingdom and the need for mutual respect and understanding

Geography | KS4/GCSE | Numerical and statistical skills

History | KS4 | understanding of the historical concepts of continuity and change, cause and consequence, similarity and difference, and significance by making connections, drawing contrasts, analysing trends and framing historical questions

SMSC - Moral | | interest in investigating and offering reasoned views about moral and ethical issues and ability to understand and appreciate the viewpoints of others on these issues.'

SMSC - Moral | | ability to recognise the difference between right and wrong and to readily apply this understanding in their own lives, recognise legal boundaries....

Mathematics | Interpret line graphs for time series data

Mathematics | Interpret scatter graphs of bivariate data: recognise correlation

Mathematics | KS3/KS4 | Statistics: construct and interpret appropriate tables, charts, and diagrams, including frequency tables, bar charts, pie charts, and pictograms for categorical data, and vertical line (or bar) charts for ungrouped and grouped numerical data

Scotland

Outcome summary

Literacy | Listening and Talking: | LIT 4-04aAs I listen or watch, I can clearly state the purpose and main concerns of a text and make inferences from key statements;

Literacy | Listening and Talking: | LIT 4-04aAs I listen or watch, I can gather, link and use information from different sources and use this for different purposes.

Literacy | Listening and Talking: | LIT 4-09aWhen listening and talking with others for different purposes, I can:communicate detailed information, ideas or opinions;

Health and wellbeing | | HWB 0-09a / HWB 1-09a / HWB 2-09a / HWB 3-09a / HWB 4-09aAs I explore the rights to which I and others are entitled, I am able to exercise these rights appropriately and accept the responsibilities that go with them. I show respect for the rights of others.

Health and wellbeing | | HWB 0-13a / HWB 1-13a / HWB 2-13a / HWB 3-13a / HWB 4-13aThrough contributing my views, time and talents, I play a part in bringing about positive change in my school and wider community.

Religious and moral education | | RME 4-09bI am able to apply my understanding of a range of moral viewpoints, including those which are independent of religion, to specific moral issues and am aware of the diversity of moral viewpoints held in modern Scotland and the wider world.

Social Studies | broaden my understanding of the world by learning about human activities and achievements in the past and present.

Social Studies | develop my understanding of my own values, beliefs and cultures and those of others.

Social Studies | | SOC 4-04aBy studying groups in past societies who experienced inequality, I can explain the reasons for the inequality and evaluate how groups or individuals addressed it.

Wales

Learning outcome

Welsh Baccalaureate | KS4 | Participation in a Global Challenge · Identify, consider and form a personal opinion on a global issue, e.g. equality

PSE | | Active citizenship

PSE | | Sustainable development and global citizenship

Geography | KS4/GCSE WJEC | 4.2 Interpret and extract information from different types of graphs. Interpret different graphs to identify patterns and trends.

Resources

- [Slideshow](#) (plus access to the internet to show embedded videos)
- Post-it notes
- Paper copies of the first two graphs to help students analyse the data (optional)

LESSON STEPS

Starter/stimulus/warm-up (10 minutes)

Show the [video](#) of Jeff Bezos' wealth in rice. **Ask** the learners to write down words that describe how they feel about the information presented. Allow about 5 minutes for this. Learners could be asked to write the words in their books or on post-it notes. If the latter then the learners can put their responses on the wall to be referred to during the lesson.

If the former then collect feedback through an appropriate method, for example asking for contributions and constructing a spider diagram on the white board.

Main activity (20 minutes)

Show the slide of the graph percentage of all income going to the top 1% from 1930-2016.¹ **Ask** what does the graph show for [choose a particular country - or for a trend across all countries]. This can be done as a whole class activity or smaller groups within the class could be allocated a country. Allow 5-7 minutes for this activity.

Show the graph of the Gini coefficient for the UK.² **Explain** that the Gini coefficient measures income inequality across the whole of society rather than simply comparing different income groups. If all the income went to a single person (maximum inequality) and everyone else got nothing, the Gini coefficient would be equal to 1. If income was shared equally, and everyone got exactly the same, the Gini would equal 0. The lower the Gini value, the more equal a society. The UK's Gini is 0.35.

Show slide 5. **Ask** the learners to comment on the relationship between the two graphs (looking specifically at the UK) - how are they different/similar?

¹ Data from: [World Inequality Database](#)

² Graph from: The Equality Trust (2019) [About Inequality: Scale and Trends](#)
<http://www.equalitytrust.org.uk/about-inequality/scale-and-trends>.

Data from: Office for National Statistics (2014) [Households below average income: 1994/95 to 2012/13](#)

What does this suggest about changes in income share and inequality?

Mention that most OECD countries have a coefficient lower than 0.32 with the lowest being 0.24. The UK, a fairly unequal society, scores 0.35 and the US, an even more unequal society, 0.38. In contrast, Denmark, a much more equal society, scores 0.25.

Ask why the Gini coefficient might be important, at this stage refer back to some of the words that the learners posted at the start of the lesson. It might be necessary to introduce some words such as injustice, unfairness, etc. into the conversation if these weren't forthcoming. Continue this for around 2 minutes of discussion, which is likely to focus around natural justice (be aware that there may be a viewpoint which sees merit in the higher income for certain sections of the population).

Summarise the discussions so far (i.e. "so we all agree that this level of inequality is unfair/unjust/cruel), and ask learners what they think the impacts of inequality are on individuals and families.

Note that, based on the previous two lessons and what we've learned about pay inequality, there are likely to be some groups that experience income inequality most severely. **Ask** learners to call out suggestions for a couple of minutes. **Show** the slides referencing newspaper articles on the poverty of women and children - explain that the undervaluing of women and ethnic minorities (through persistent low pay and fewer opportunities due to caring responsibilities, discrimination/bias, unequal pay, etc.) that the class discussed in the previous lesson means that these groups are more likely to experience poverty and struggle financially.³

Read out the excerpt from the 2017 Guardian article that explains why women are more likely to live in poverty in old age.⁴ **Ask** learners to consider the strength of the argument proposed.

Final plenary (15 minutes)

Point out that we have addressed the personal impacts of income inequality, but that there are also impacts for society as a whole.

Show the slide which shows the graph demonstrating that health and social problems are worse in more unequal countries.⁵ Direct the learners to analyse the graph and write a sentence which summarises the information that is presented. Circulate around the room to get an idea of the responses. After 3 minutes, **ask** for a few contributions from learners. **Ask** learners if they were previously aware of this relationship, and what they think it is about high levels of inequality that drives up problems like mortality, homicides, life expectancy,

³ National Education Union (2019) [Women and poverty](#)

The Guardian (2020) [Nearly half of BAME UK households are living in poverty](#)

⁴ The Guardian (2020) [Inequalities among older people, especially women, 'shameful'](#)

⁵ The Equality Trust (2019) [Why More Equality?](#)

etc. **Show** the following slide with headlines about COVID-19 and BAME deaths.
⁶ **Ask** the learners if they recall seeing the link between inequality and health recently, in the light of the COVID-19 crisis.

Ask the learners to summarise (write down) what they have learnt so far during the lesson. **Circulate** while this is happening to get some ideas of the progress against the aims. If time allows some of the contributions can be shared.

Note that the UK is one of the most unequal countries in the developed world - around 22% of people are living in poverty (including more than 4 million children), while the richest 1,000 people in the UK increased their wealth by £253bn between 2014 and 2019.⁷ **Explain** that campaigners and academics have been campaigning for a range of policies to reduce income inequality.

Ask learners to **evaluate** the pros and cons of some of the approaches suggested on slide 10 - some are simply about reducing the amount high earners can make while increasing the wages of others, some are about investing in important services and making them universally accessible.

Taxation and pay:

- Increasing tax for the top 1-10% of earners (and reducing the tax burden for the 99%)
- Increasing corporation tax and closing tax havens/tax loopholes
- Limiting the amount companies can pay their highest paid staff (or mandating a ratio e.g. 10:1 between the highest and lowest paid staff members within a company)
- Increasing the minimum wage

Universal public services (funded by increased tax revenue)

- Funding high quality universal healthcare, state education, social housing, and a fair pensions and benefits system
- Investment in training and education to help people into better paid employment
- Making it easier for people who are low earners, unemployed or unable to work to access social security (e.g. benefits) and making sure benefits payments are substantial enough for people to live on [ensure benefits payments rise in line with inflation]
- Implementing progressive price caps on rent and utilities like water, gas, electricity

⁶ The Guardian (2020) [Poor housing linked to high Covid-19 death rate in London borough](#)
The Guardian (2020) [‘The virus piggybacked on racism’: why did Covid-19 hit BAME families so hard?](#)

The Guardian (2020) [Average BAME Covid-19 patient decades younger than white Britons in study](#)

⁷ Full Fact (2019) [Poverty in the UK: a guide to the facts and figures](#)

The Equality Trust (2019) [A Nation of Ferraris and Foodbanks - UK Rich Increase Wealth by £253 Billion Over Five Years](#)

As women and BAME people are more highly represented in low paid roles, **ask** learners what impact would these policies have on equality more broadly (in terms of gender and ethnicity)?

If there is any additional time, **ask** learners if they have any other suggestions for reducing inequality.

Finally, **ask** learners to go to the [link](#) shown on the final slide (or hand out [paper forms](#)) and fill in a short feedback form on how they found the lesson today.

Follow-up ideas

Read

- [Why Inequality Matters](#) – a brief summary of The Spirit Level (CLASS)
- [About Inequality](#) – an online resource exploring the scale, drivers and impacts of inequality (The Equality Trust)
- [A Manifesto for a Fairer Society](#) (The Equality Trust)
- [Racial wealth inequality in the UK](#) (Millennial Money)
- [What's your share of the pie?](#) – an OECD tool that allows you to see where your family sits in terms of income inequality in your country
- ['The virus piggybacked on racism': why did Covid-19 hit BAME families so hard?](#) (The Guardian)

Watch

- [Income inequality in the UK](#) (High Pay Centre)
- [Social inequalities in France demonstrated by a game of Monopoly](#)
- [How kids react to inequality and discrimination](#)
- [The UK's income inequality crisis explained](#) (TLDR News)

Listen

- [Richard Wilkinson & Kate Pickett in conversation](#) (Upstream)
- [Kate Pickett on the case for equality](#) (Social Science Bites)

Take action

- Become a [Young Equality Campaigner](#) – start a group working for a more equal and peaceful UK

Homework

Write a short opinion piece (less than 500 words) on what you've learned about income inequality, using data/statistics from the lesson in addition to your own research.

You may want to include:

- How unequal the UK is (now compared to previously, compared with other similar countries, etc.)
- What the implications/consequences of high levels of inequality are

- Personal opinion/comment on what you think about the state of income inequality in the UK: Is it fair? Should politicians be doing more to reduce inequality?