Income Distribution:
Three Perspectives on Who Gets What

[Teaching a VOTE Program Issue in Online and In Person Classes]

JET SET 2026

Ishrat Mahzabeen and Lisa Jahn

Pima Community College

Tucson, Arizona

PimaCommunityCollege

VOTE
VOICES ON THE ECONOMY

MISSION

To inspire new solutions to our country's urgent economic problems by building a culture of respectful listening, passionate advocacy, and intelligent debate.

VISION

A world in which people are freed from material worry so each of us can contribute our unique gifts, and society reaches its highest potential.

Overview

- ❑ Background
- ❑ Tools Used
- ❑ Policy Perspectives
- ❑ Three-in-One Activity
- ❑ Resources & Assignment Ideas

Background

Income Distribution

- ❑ how a nation's income is divided among the people who live there.
- ❑ in other words, who gets what

When we talk about people's money, we are talking about:

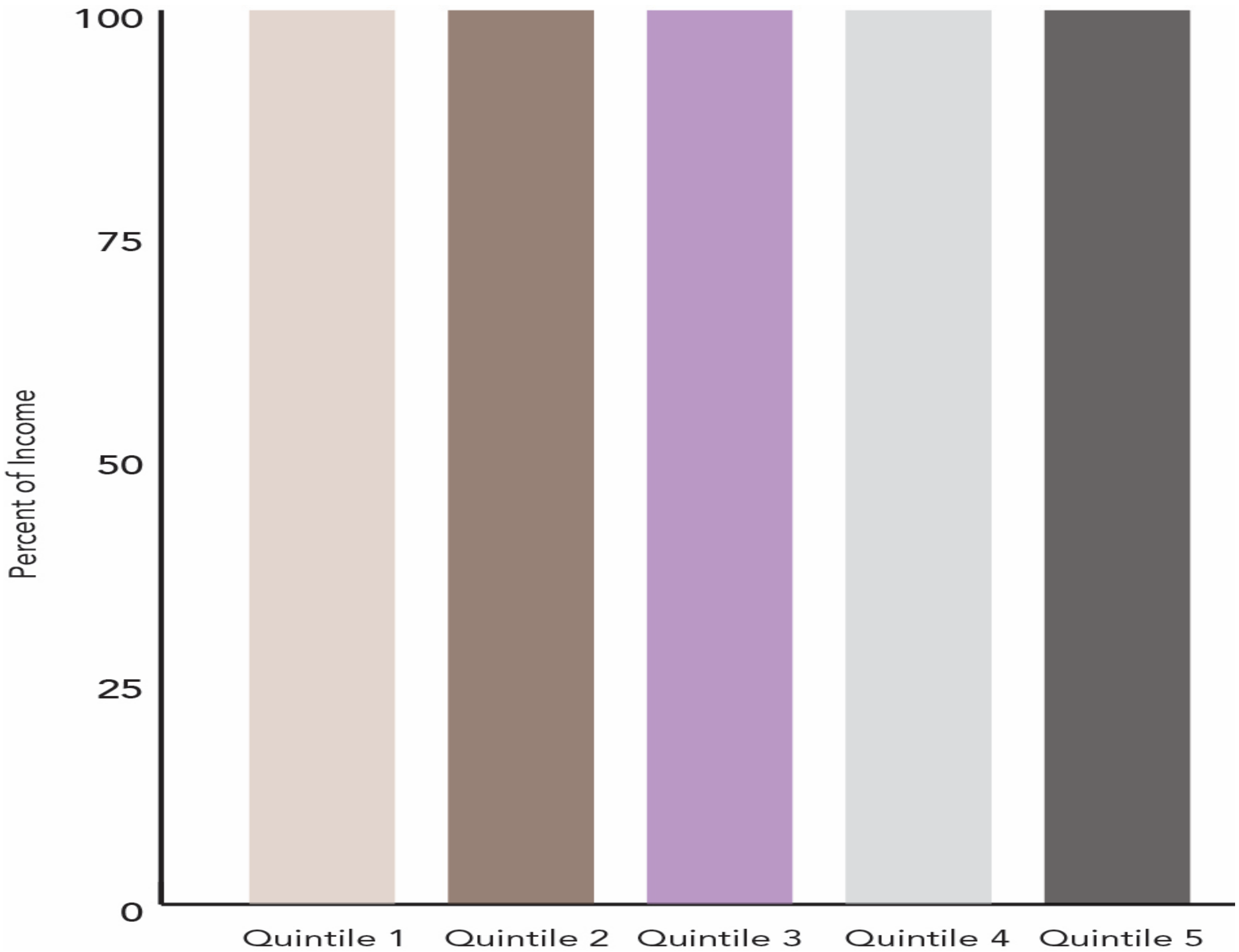
- ❑ Income (money received on a regular basis)
  - Working: Wages, Salaries, Pensions
  - Owning: Rents, Interest Payments, Profits
  - Government Transfer Payments: Unemployment Benefits, Temporary Assistance to Needy Families, SNAP, and more

- ❑ Wealth (value of all assets owned)
  - Stocks
  - Bonds
  - Property
  - Capital

© From *Voices On The Economy, Second Edition*. All Rights Reserved.

Assume that 100 pennies represent 100% of income:

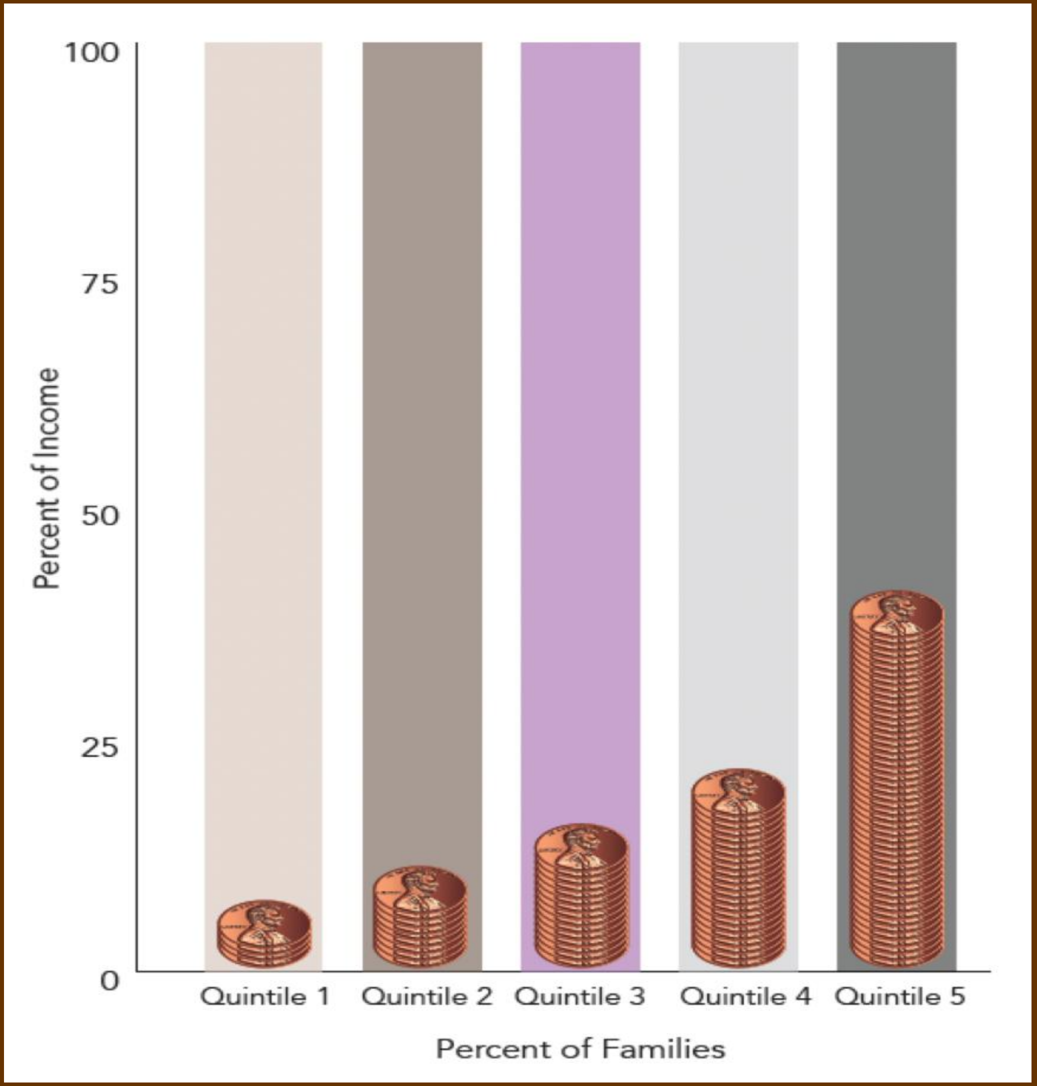
What is **your ideal number of pennies** in each quintile?



[left to right quintiles = lowest to highest income groups]

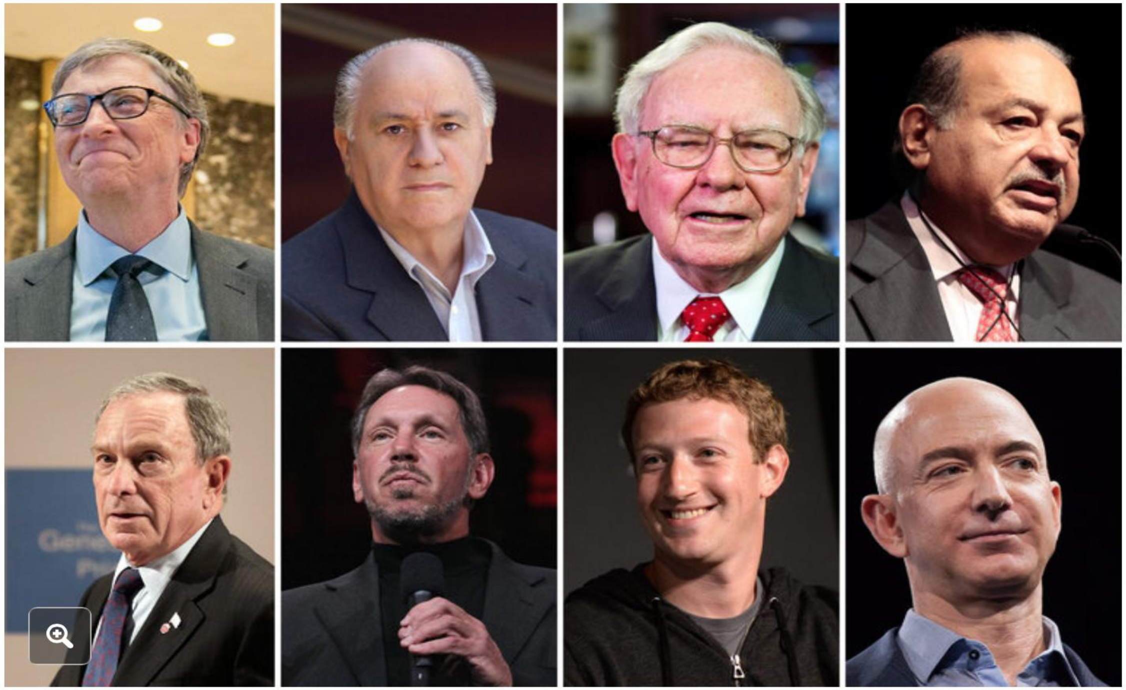
© From *Voices On The Economy, Second Edition*. All Rights Reserved.

- In 2017, the top 20% received 48.8 of our nation's pennies. (Income, not wealth)
- Compare your group's distribution of 100 pennies to the chart on the right.



© From *Voices On The Economy, Second Edition*. All Rights Reserved.

World's 8 Richest Have as Much Wealth as Bottom Half, Oxfam Says



Clockwise from top left: Bill Gates, Amancio Ortega Gaona, Warren E. Buffett, Carlos Slim Helú, Jeff Bezos, Mark Zuckerberg, Lawrence J. Ellison, Michael R. Bloomberg.

NYT, January 16, 2017

"In 2017, just eight of the richest people on earth own as much combined wealth as half the human race [equal to 3.6 billion people]"

- In June 2026, Elon Musk became the first trillionaire in history after his company SpaceX went public.
- His fortune jumped to an estimated $1.1 trillion overnight.

© From *Voices On The Economy, Second Edition*. All Rights Reserved.

- How money is distributed within society has always been a contentious issue, but it seems louder than usual in the news these days.
- That’s because we all have mixed feelings about other people’s paychecks.
- It leads to questions about what is fair and what is unfair.

- Liberal, Conservative, and Radical perspectives all agree that income inequality can cause social conflict.

- But, at the same time, they share the same goal of income that rewards contributions fairly.

- However, liberals, conservatives, and radicals fiercely disagree about what “fair” means and how to achieve it.

Income Distribution Tools

(Liberal, Conservative, and Radical)

Lorenze Curve & Gini Coefficient

© From *Voices On The Economy, Second Edition*. All Rights Reserved.

How can we describe the current income and wealth disparity without judgement?

Lorenz Curve:

A graph of the actual distribution of income compared with a perfectly equal distribution of income.

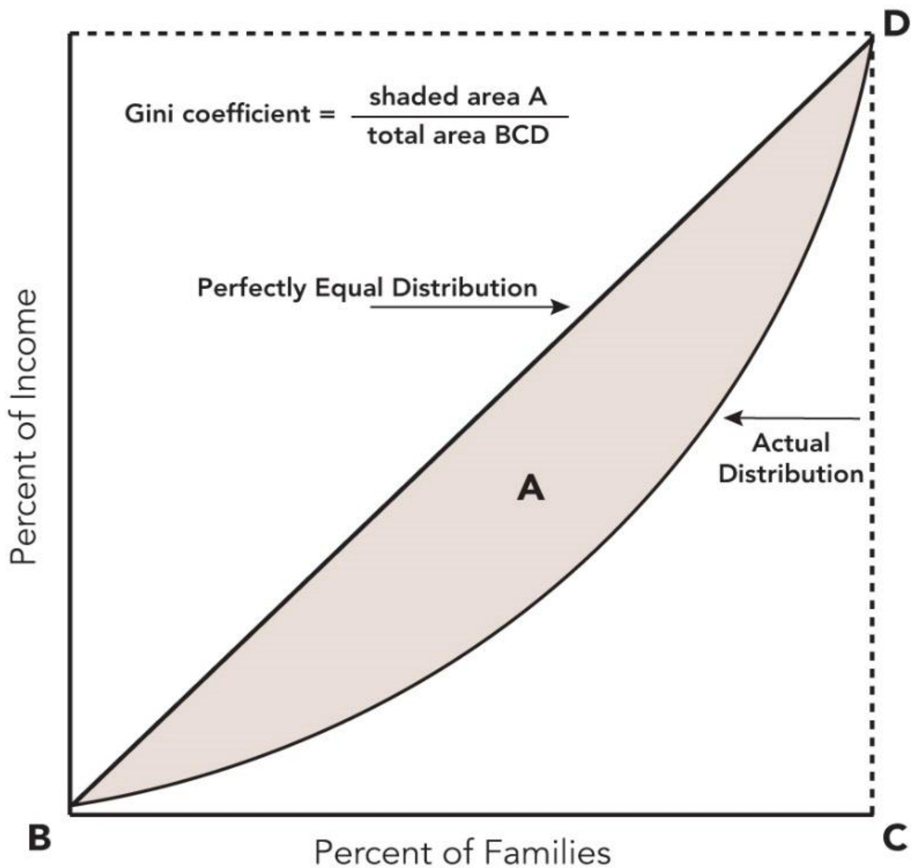
Further away the Lorenze curve is from the Perfect Equality line more unequal is the distribution of income.

Every perspective uses this tool.

$0 < \text{Gini} < 1$

Gini Coefficient:

A mathematical summary of inequality, based on the Lorenz Curve.



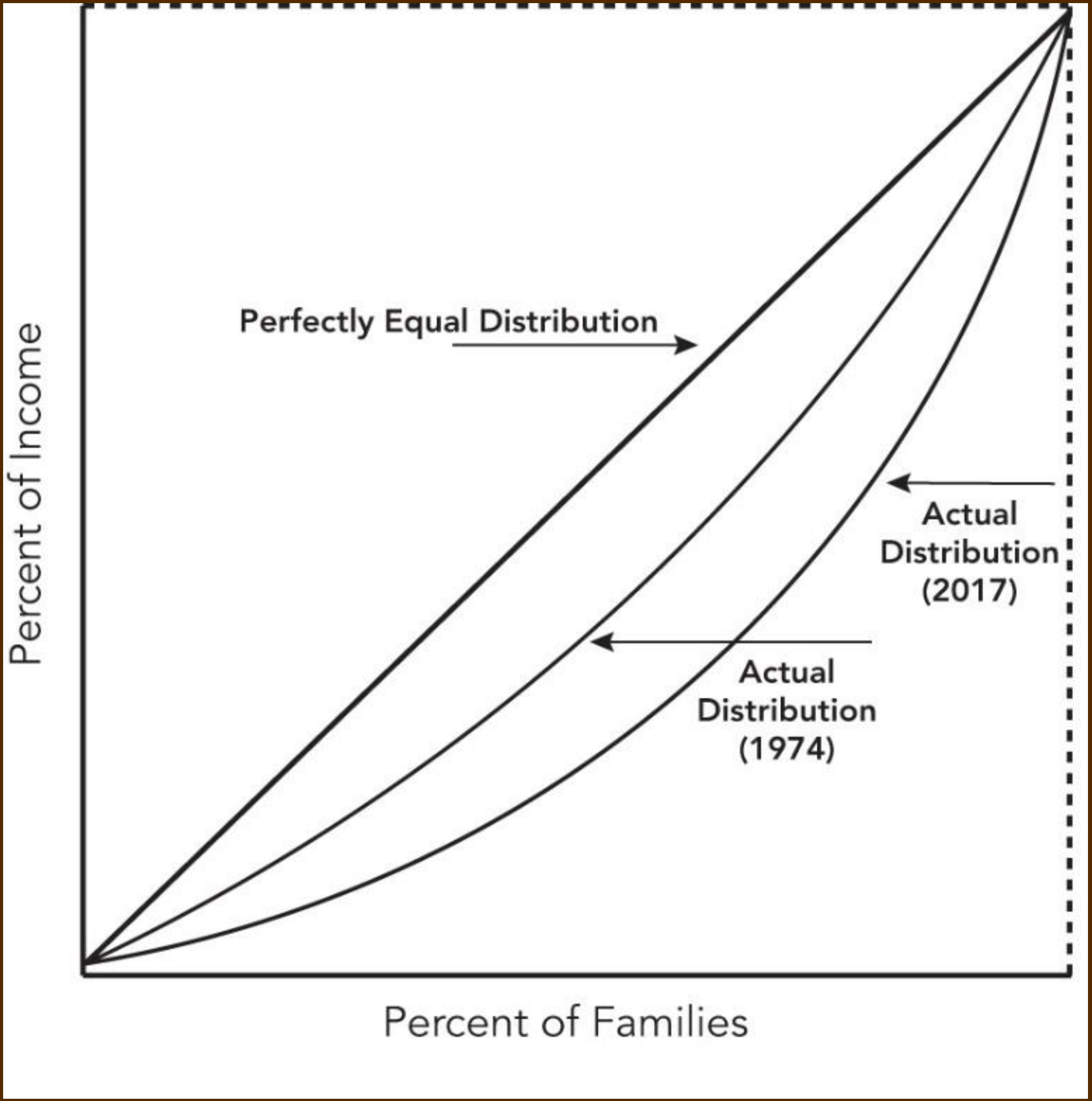
© From *Voices On The Economy, Second Edition*. All Rights Reserved.

Which year had a lower Gini Coefficient,

1974 or 2017?

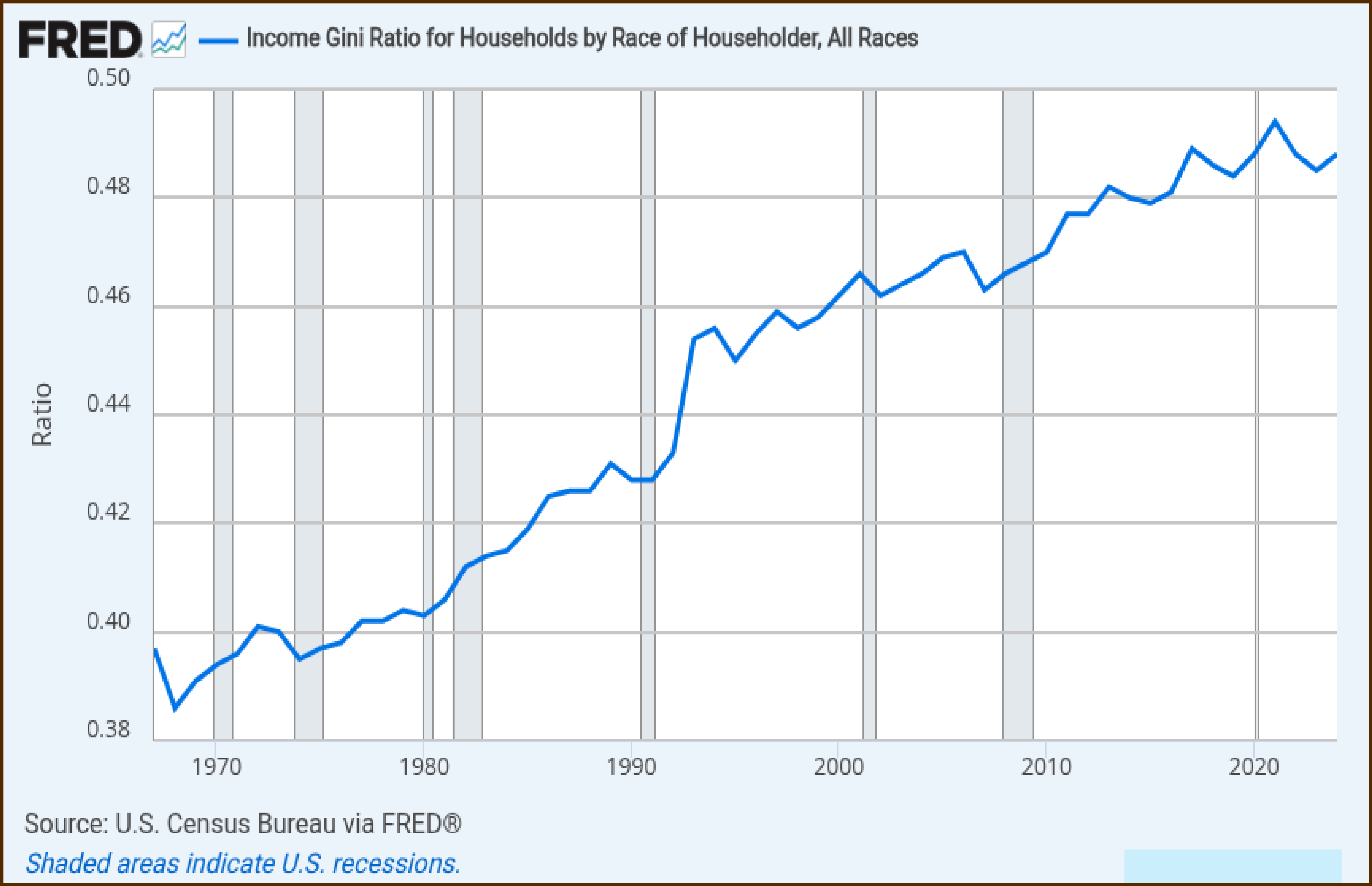
Answer:

1974



© From *Voices On The Economy, Second Edition*. All Rights Reserved.

US Gini Coefficient, 1967 - 2024



Income Distribution Policy

(Liberal, Conservative, and Radical)

© From *Voices On The Economy, Second Edition*. All Rights Reserved.

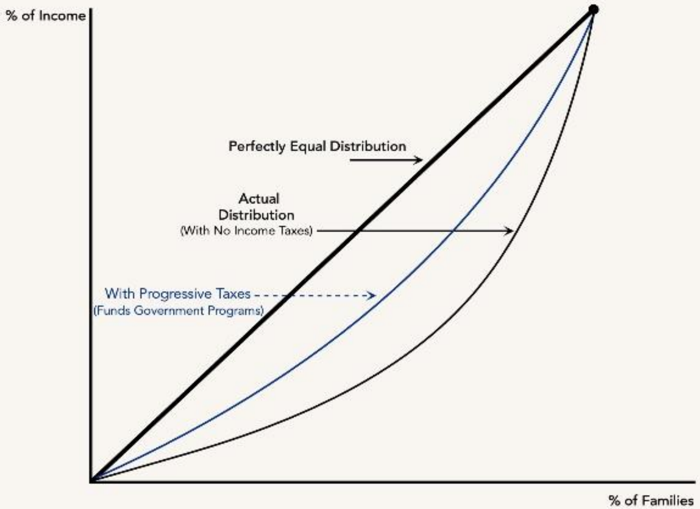
Income Distribution Policy: **Liberal**

- It's fair for the rich to pay more because they often start out in life with advantages, and they benefit the most from the things everyone's taxes fund.

- We redistribute wealth in our country from the richest to the poorest so we can open doors for more people to succeed.

- This is how we flatten the income gap and harness the power of incentives in capitalism, all while keeping the system fair.

1. **Use Progressive Taxes**
2. **Use government redistribution programs to fund:**
   - **National Security**
   - **Property Protection**
   - **Infrastructure**
   - **Transparency with Accountability**
   - **Stability**
   - **Equity**



Lorenz Curve

<u>Note:</u>

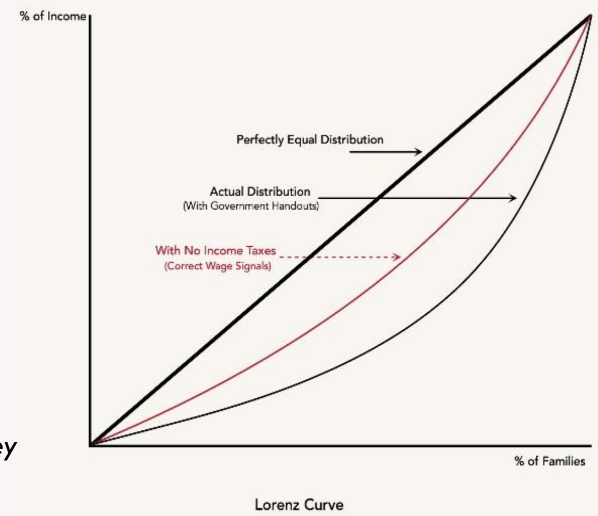
- *Progressive Tax: tax that charges a higher percentage as the total taxed amount increases.*

- *Flat Tax: tax that charges the same tax rate regardless of total taxed amount.*

© From *Voices On The Economy, Second Edition*. All Rights Reserved.

Income Distribution Policy: Conservative

- For those in society who struggle to move up, or who fall through the cracks, free-market solutions create the opportunities they need to get ahead.
- By replacing government meddling with the right incentives, we no longer have a dangerously wide income gap.
- Everyone at every income level is highly motivated and everyone has the opportunity to succeed.
- For those few who might still need help, friends and family, religious organizations, crowdfunding, and corporate philanthropy give them a hand.



1. **Reject all Income Taxes**
2. **Use Flat Consumption Taxes to fund:**
   - **National Security**
   - **Property Protection**
   - **Infrastructure**

Note:

- *Income Tax: Tax on your paycheck, plus other incomes such as dividends from stocks, money from rents, & so forth.*
- *Consumption (Sales) Tax: Tax on products people buy rather than what they earn.*

© From *Voices On The Economy, Second Edition*. All Rights Reserved.

Income Distribution Policy: **Radical**

- Income is redistributed fairly to start with because we have worker-ownership in democratic socialism. Economic justice is baked into the system.

- Dangerous income disparity is further prevented through maximum wage cap legislation. It applies across the nation, setting a percentage limit on how high a salary can be relative to the lowest salary in a firm.

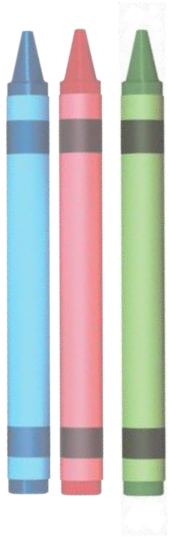
- This ensures that the income gap will never swell to dangerous levels that could topple our society.

1. **Use Universal Basic Income (UBI) & Maximum Wage Cap**

2. **Use Progressive Taxes to fund:**
   - **National Security**
   - **Property Protection**
   - **Infrastructure**
   - **Transparency with Accountability**
   - **Stability**
   - **Equity**
   - **Manage Public Ownership**
   - **Community Councils**
   - **Universal Benefits**

Three-in-One ACTIVITY

It's Off to Work We Go



© From *Voices On The Economy, Second Edition*. All Rights Reserved.

“It’s Off to Work We Go” Activity
Round I: Neutral

1. Imagine that you are a worker in a crayon factory.
2. Pick a card & turn it over
3. Note your job and salary.
4. Assignment: Share how you feel about your income and job.

JOB	SALARY
A. CEO	$10,000,000
B. Vice President	$300,000
C. Technician	$75,000
D. Salesperson	$50,000
E. Receptionist	$40,000
F. Custodian	$25,000

Liberal
Fair-Market Capitalism

Income Distribution

© From *Voices On The Economy, Second Edition*. All Rights Reserved.

"It's Off to Work We Go"
Round II: Liberal

- ❑ **Liberals use a progressive income tax to fund government, including programs that level the playing field.**
- ❑ **Using liberal perspective statements for your job, please discuss your new take-home pay.**

1 Job	2 Starting Salary	3 Progressive Income Taxes	4 Government Transfers (needs-based)	5 Total Income	6 Health Care, Housing, Education, Retirement
CEO	$10,000,000	40% (-$4,000,000)	None	$6,000,000	Partial Self-Pay
VP	$300,000	25% (-$75,000)	None	$225,000	Partial Self-Pay
Technician	$75,000	10% (-$7,500)	None	$67,500	Partial Self-Pay
Salesperson	$50,000	10% (-$5,000)	None	$45,000	Partial Self-Pay
Receptionist	$40,000	0% ($0)	None	$40,000	Partial Self-Pay
Custodian	$25,000	0% ($0)	+$12,000	$37,000	Partial Self-Pay

© From *Voices On The Economy, Second Edition*. All Rights Reserved.

"It's Off to Work We Go"

Liberal Perspective Statements

CEO AND VP

1. I'm comfortable paying higher taxes because my success is not just a result of my hard work; it's also because I had privileges and opportunities that gave me a head start.
2. I'm fine taking home less pay because my taxes fund government programs that level the playing field so more people can succeed, and that ultimately raises my standard of living.
3. I'm happy to pay my fair share of taxes because government keeps my business strong with educated workers, firefighters, roads, and more.

SALESPERSON AND TECHNICIAN

1. I'm delighted that lower taxes for the middle class leaves more money in my paycheck, and when I spend it, I'm creating jobs for other people.
2. I feel lucky to live in a society where wealth is redistributed so that it relieves the burden on the hardworking middle class.
3. It's fair that those in the middle class, who are the backbone of this nation, can pursue the American Dream and watch our families prosper.

RECEPTIONIST AND CUSTODIAN

1. I'm grateful to have a job so I can contribute to society, and I'm grateful that government programs help me afford the housing, education, and health care my family needs.
2. Even though my job doesn't pay much, I feel optimistic about my opportunities to rise because our nation funds programs that level the playing field for people like me.
3. I'm proud to work hard, and with our government's help, my kids and grandchildren have more opportunities to realize their potential and contribute to society.

Conservative

Free-Market Capitalism

Income Distribution

© From *Voices On The Economy, Second Edition*. All Rights Reserved.

"It's Off to Work We Go"
Round III: Conservative

- **Conservatives have no income tax. To fund the three areas of government they believe are necessary, they use a flat consumption tax.**

- **Using conservative perspective statements for your job, please discuss your new take-home pay.**

1 Job	2 Starting Salary	3 No Income Taxes	4 Charitable Giving (10%) & Receiving	5 Total Income	6 Health Care, Housing, Education, Retirement
CEO	$10,000,000	$10,000,000	–$1,000,000	$9,000,000	Self-Pay
VP	$300,000	$300,000	–$30,000	$270,000	Self-Pay
Technician	$75,000	$75,000	None	$75,000	Self-Pay
Salesperson	$50,000	$50,000	None	$50,000	Self-Pay
Receptionist	$40,000	$40,000	+$5,000	$45,000	Self-Pay
Custodian	$25,000	$25,000	+$15,000	$40,000	Self-Pay

© From *Voices On The Economy, Second Edition*. All Rights Reserved.

"It's Off to Work We Go"

Conservative Perspective Statements

CEO AND VP

1. I feel good about my salary because it reflects my contributions to society as someone who creates products that improve people's lives.
2. I deserve to keep all the income I earn because I've made countless personal sacrifices to achieve my success, so I should reap the rewards and spend it as I choose.
3. I'm delighted that my paycheck is bigger with no income tax because I can support society with more charitable giving.

TECHNICIAN AND SALESPERSON

1. I'm satisfied with my salary because I work hard and earn a decent living, and I still have time for the rest of my life, including family and leisure activities.
2. I like my decent middle-class income, and I'm happy with my paycheck because I can save and invest for the future.
3. I feel content earning what I need to pay my bills, and I'm glad that I can make my customers happy.

RECEPTIONIST AND CUSTODIAN

1. I think what I earn is fair, and philanthropy helps me to afford more education so I can qualify for a better-paying job.
2. My salary is fair because I choose to spend time with my family and do the things I enjoy instead of putting in extra hours at the office.
3. My income works for me because I get to clock in, do my job, clock out, and live a simple, happy life without worrying about being in charge or managing others.

Radical

Democratic Socialism

Income Distribution

© From *Voices On The Economy, Second Edition*. All Rights Reserved.

"It's Off to Work We Go"
Round IV: Radical

- ❑ **Democratic socialists fund a Universal Basic Income (UBI) and a Maximum Wage Cap (30X) with redistribution that equals 50% of previous salary.**

- ❑ **Using radical perspective statements for your job, please discuss your new take-home pay.**

1 Job	2 Starting Salary with Maximum Wage Cap	3 Partial Redistribution of CEO Salary (+50%)	4 Progressive Income Taxes	5 UBI	6 Total Income	7 Health Care, Housing, Education, Retirement
CEO	~~$10,000,000~~ $750,000	~~$750,000~~ $1,125,000	60% (-$675,000)	+12,000	$462,000	Covered
VP	$300,000	~~$300,000~~ $450,000	40% (-$180,000)	+12,000	$282,000	Covered
Technician	$75,000	~~$75,000~~ $112,500	40% (-$45,000)	+12,000	$79,500	Covered
Salesperson	$50,000	~~$50,000~~ $75,000	20% (-$15,000)	+12,000	$72,000	Covered
Receptionist	$40,000	~~$40,000~~ $60,000	20% (-$12,000)	+12,000	$60,000	Covered
Custodian	$25,000	~~$25,000~~ $37,500	0% (-0%)	+12,000	$49,500	Covered

© From *Voices On The Economy, Second Edition*. All Rights Reserved.

"It's Off to Work We Go"

Radical Perspective Statements

CEO AND VP

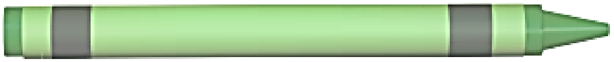
1. I feel comfortable with my salary because I'm paid well, but I'm not paid an outrageously high amount compared to other worker-owners in our firm, which would be unfair to them.
2. I make plenty of money to live a very good life, and I have the satisfaction of making the world a better place and being part of a firm that shares my values.
3. I'm happy to make less than I did before because it means we're able to improve our firm, help our community, and give all our worker-owners more financial security.

TECHNICIAN AND SALESPERSON

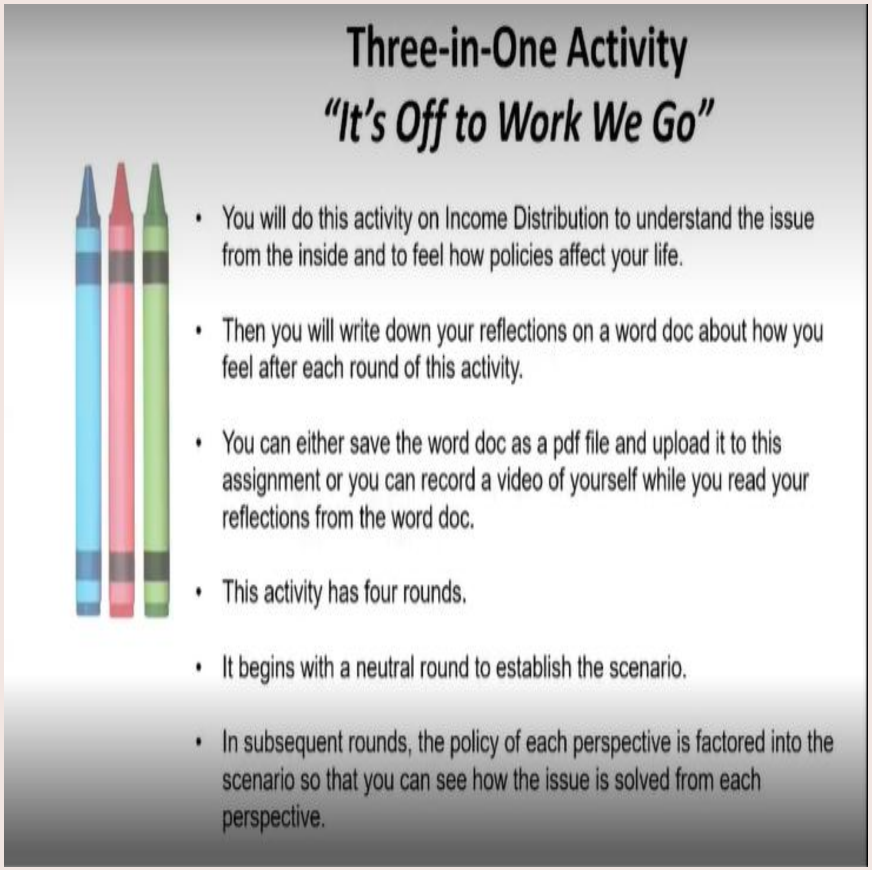
1. I love my job because it earns me a comfortable living, and I can do what I love instead of chasing a higher income, thanks to the UBI.
2. I feel lucky that I can earn a good living and have a say in production practices and salary levels, and I never have to worry that my job will be outsourced and I'll be laid off.
3. I make good money, and the maximum wage cap means our firm has the means to offer a generous pension fund, emergency fund, and community building fund.

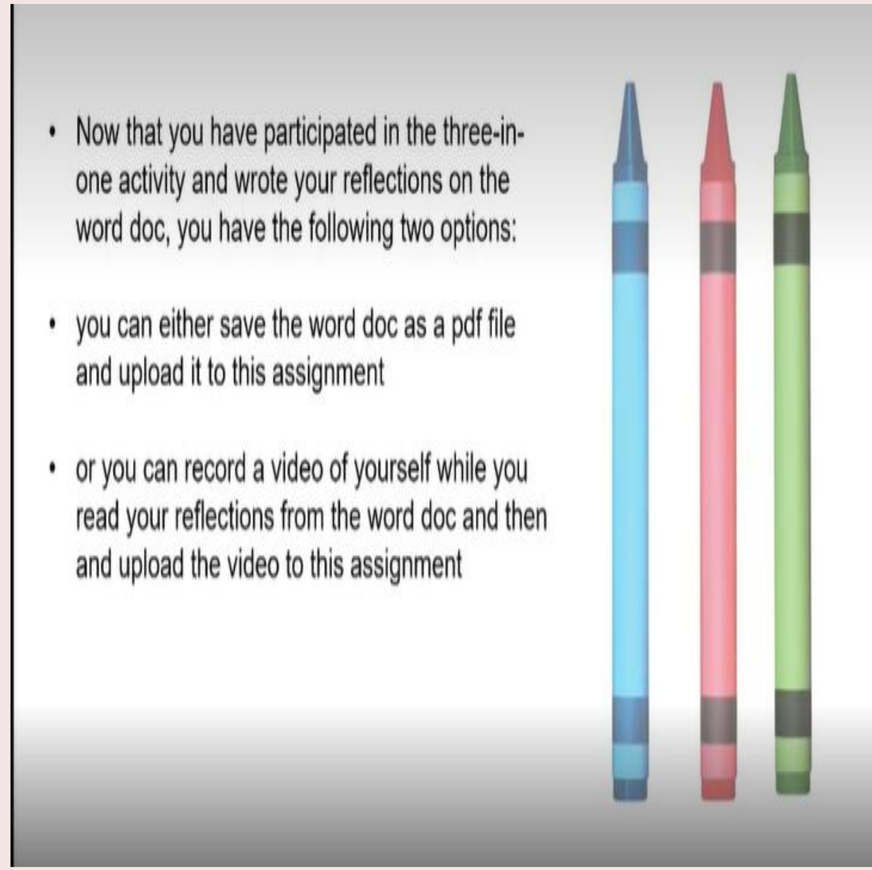
RECEPTIONIST AND CUSTODIAN

1. As a worker-owner, I am pleased that my salary finally reflects my real contributions at work, and with the UBI on top of that, I can finally get ahead.
2. I'm satisfied with my income because I have an equal say in setting the salary levels, and with a maximum wage cap, I feel respected as a vital member of the team.
3. At our firm, expertise and experience are rewarded fairly, so if I want a higher income, I know I can get more training to improve my skills and move up.



Three-in-One ACTIVITY for an Online Class

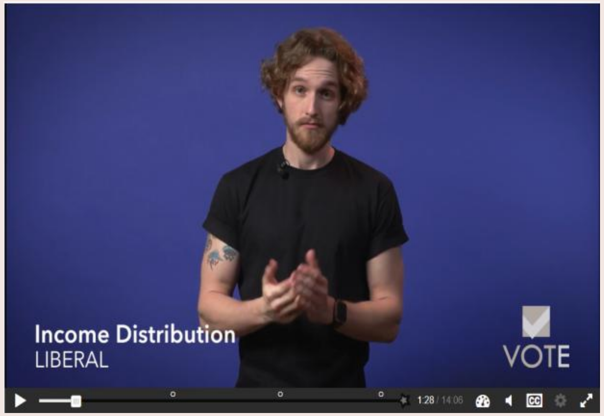




Resources & Assignment Ideas

Videos of different perspectives on each economic issue

Neutral



Liberal Perspective

Conservative Perspective

Radical Perspective

Four Different Types of Submission Options for Students

Poster

"A Picture Is Worth a Thousand Words"

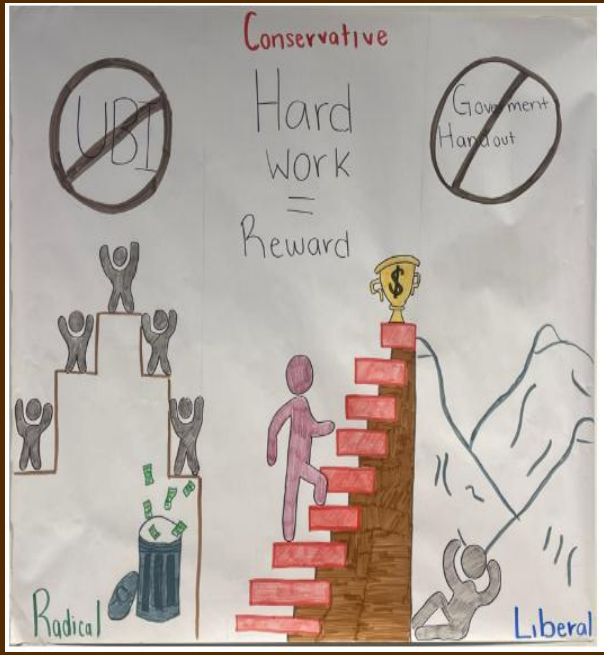
Debate

Breakfast With The Family

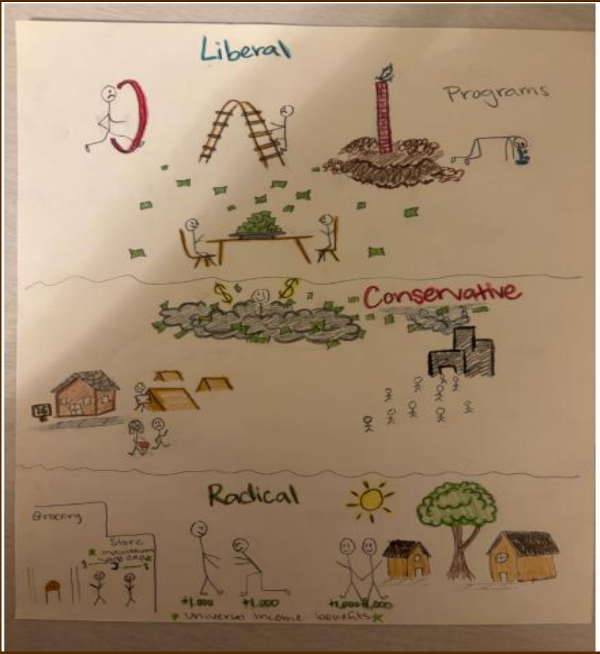
Skit

Samples of Poster Submissions on Income Distribution

Liberal Perspective



Conservative Perspective



Radical Perspective

Thank you for your time!

Contact Information:

Ishrat Mahzabeen
Email: imahzabeen@pima.edu

Lisa Jahn
Email: ljahn@pima.edu