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***Pulling Apart 2014: A Focus on Wisconsin's 1%
Report from COWS and the Wisconsin Budget Project Shows Troubling Levels of
Income Inequality in Wisconsin***

Income inequality in Wisconsin is widening, according to a [new report by the Center on Wisconsin Strategy \(COWS\) and the Wisconsin Budget Project](#). The top 1% of earners in Wisconsin have experienced tremendous gains in average income in recent decades, while incomes for the bottom 99% have declined.

“Economic gains are not being widely shared in Wisconsin or at the national level,” said Laura Dresser, Associate Director of COWS. “The rewards of prosperity have been concentrated in the top 1%, and have not benefitted most Wisconsin families.”

Key findings of the report include:

- Between 1979 and 2011, the average income of the top 1% in Wisconsin grew by 104%, while the average income of the bottom 99% dropped by 0.4%.
- The top 1% in Wisconsin had an average income of \$783,000 in 2011, more than 18 times the average income of the bottom 99%.
- In 2011, 15.7% of income went to the top 1% in Wisconsin, a share that has more than doubled since the 1970s.

Over the last hundred years, income inequality has followed a U-shape in Wisconsin, with very high levels of income inequality during the 1920s and 1930s, much lower levels in the middle part of the century as economic gains were made at all income levels, and then climbing again to very high levels.

In the aftermath of the recession, income inequality in Wisconsin continues to grow. Between 2009 and 2011, the top 1% in Wisconsin claimed 71% of the total income growth. The average incomes of the top 1% grew by 3.9% during this period, compared to just 0.9% growth in average income for the bottom 99%.

"No wonder it's hard for so many Wisconsin families to make ends meet," said Wisconsin Budget Project analyst Tamarine Cornelius. "Incomes for most Wisconsin residents are growing slowly or not at all, while incomes at the top have increased dramatically."

(more)

Wisconsin can mitigate the effects of growing income inequality by pursuing policies that set a strong wage floor for workers, build the skills of Wisconsin's workforce, support working families, and reform regressive taxes.

The full Wisconsin report is available [here](#).

This analysis is based on figures [in *The Increasingly Unequal States of America: Income Inequality by State, 1917 to 2011*](#), written for the Economic Research and Analysis Network.

The [Center on Wisconsin Strategy](#) is a research and policy center based at the University of Wisconsin-Madison dedicated to improving economic performance and living standards in the state.

The [Wisconsin Budget Project](#), which is an initiative of the [Wisconsin Council on Children and Families](#), is a nonpartisan research group focusing on tax and budget policy.

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