

Aiwei Lin

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Ms Robledo

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Income Inequality is Killing Our American Dream

In the definition of the American Dream by American writer and historian James Truslow Adams in 1931, "life should be better and richer and fuller for everyone, with opportunity for each according to ability or achievement." The American Dream is the national spirit of the United State. It is the desire of people to chase success and prosperity in life. In people's mind, the American Dream represents an ideal life that they want to achieve. However, many people do not trust in the American Dream anymore. What they believe is actually reasonable: United State used to be regarded as a land full of opportunities, and the American Dream emphasized the point that everyone can be successful through hard work. The reality is that many people are working in minimum wage jobs, struggling to make a living. Besides, a lot of people can hardly find a job. Nevertheless, the American Dream is still achievable and the main obstacle that blocks people's way to achieve it is the rising income inequality.

In the essay, "The American Dream: Dead, Alive, or On Hold?" Brandon King claims that nowadays many people believe that the American Dream is dead, which means it is impossible for people to achieve it. However, King does not think so. He thinks that the American Dream still works in this society. "To many, the most worrisome problem is inequality: that wealth is concentrated into the hands of a rich minority"(King 612). He points out that the unequal distribution of wealth in this

nation has become a more serious issue for people. Wealth inequality makes people vacillate faith to chase their American Dream. According to the author's opinion, the American Dream is being more and more eroded in our society and it is now facing the test of time. "The rules for achieving the American Dream may no longer be taught and supported by culture, but that doesn't mean that they don't work." (King 614). Although it is tough for people to achieve their American Dream, the author still gives credit to the idea that people can one day earn the life they want by working hard. I agree with King's idea. The American Dream is not dead; it is just on hold. However, if people want to make their dream come true, there are some problems that need to be solved.

In order to achieve the American Dream, the main problem that people need to solve is wealth inequality. Moreover, the major factor that leads to wealth inequality is income inequality. Throughout much of modern history, income inequality have been rising at insane speed, and the situation is likely to continue. Income inequality is like wealth accumulation: "Ultimately, we could end up with a society in which the rich separate themselves from everyone else, perpetuating their wealth from one generation to the next, as nobility of past centuries did. (Leonhardt 543). Although the economy of the United States is growing, society seems to be moving backward. According to the statistics, American's top 10 percent now earn an average nearly 9 times as much as the bottom 90 percent. What's even more terrible is that the top 1 percent earn even more. The average they earn is over 38 times more than the bottom 90 percent. In other words, most of the wealth of the United States is owned by the top 1 percent of persons. Due this unhealthy social condition, many people are

struggling to make a living. As a result, they begin to look forward to a more stable life instead of taking risk to chase their American Dream.

Many economists argue that income inequality is one of the disadvantages of capitalism. In fact, they are narrowly correct. “Capitalism has been doing the exactly what it was designed to do: concentrating wealth in the ownership class, while providing the mass of workers with just enough wages to feed, house and clothe themselves” (McClelland 553). Income inequality also gives people a more limited access to opportunity and other resources such as education, housing and nutrition, which is not only for people themselves but also for their next generation as well. For example, in 2016, the average minimum wage in the state of California around 10 dollars per hour, and a two-bedroom apartment in Oakland now costs about \$1350 to \$1500 per month. Los Angeles also has an average two-bedroom rent of \$2,000 per month. If a worker earns minimum wage for 40 hours per week, then what he earns per month can barely support him to make a living in Oakland, and he can hardly survive in Los Angeles. At the same time that low income households are struggling to survive in minimum wage, many people cannot even find a job that can support them. The low minimum wage and high unemployment rate cause income inequality to be a more massive issue, which takes people far away from their American Dream.

Income inequality is a natural part of the capitalist economy, but that doesn't mean it is inevitable. There are many ways that can help reduce the effects of income inequality. For instance, government can tax rich people more or increase the budget on welfare. However, it only works in the short term, which is not enough to change the predicament. If we want an effective way to solve this problem, education may be the solution. “When a society becomes more educated, many of its less-wealthy

citizens quickly acquire an ephemeral but nonetheless crucial form of capital--knowledge-- that can bring enormous returns” (Leonhardt 546). Education has a powerful impact on a person, especially poor people, because getting more education means to be more competitive. Being more competitive means people are more likely to be employed. “The great income gains for the American middle class and poor in the mid-to-late 20th century came after this country made high school universal and turned itself into the most educated nation in the world.”(Leonhardt 546). Countries that have done a better job improving their education gain a lot more on returns, since the 21th century is a human-capital century. Education has a profound and lasting effect not only for individuals but also for the whole nation. It is important to improve the education of the United States to help overcome the obstacle that blocks people’s way to their American Dream.

Perhaps the issue of wealth inequality can’t be solved rapidly and people will still have a long distance to their American Dream. That does not mean the American Dream is imposible to achieve. People should be hopeful for their future instead of giving up faith and feeling hopeless. The American Dream never dies, it just fades away.

King, Brandon. "The American Dream: Dead, Alive, or On Hold?" *They Say I Say with readings*. 3rd ed. Gerald Graff, et. Al. New York: Norton, 2015. 610-617. Print.

Leonhardt, David. "Inequality Has Been Going on Forever...but That Doesn't Mean It's Inevitable" *They Say I Say with readings*. 3rd ed. Gerald Graff, et. Al. New York: Norton, 2015. 542-548. Print.

McClelland, Edward. "RIP, the Middle Class:1946-2013" *They Say I Say with readings*. 3rd ed. Gerald Graff, et. Al. New York: Norton, 2015. 549-560. Print.