

Macroeconomic Inequality from Reagan to Trump

For five decades, rising US income and wealth inequality has been driven by wage repression and production realignments benefitting the top one percent of households. In this inaugural book for Cambridge Studies in New Economic Thinking, Professor Lance Taylor takes an innovative approach to measuring inequality, providing the first and only full integration of distributional and macro level data for the US. While work by Thomas Piketty and colleagues pursues integration from the income side, Professor Taylor uses data of distributions by size of income and wealth combined with the cost and demand sides, flows of funds, and full balance sheet accounting of real capital and financial claims. This blends measures of inequality with national income and product accounts to show the relationship between productivity and wages at the industry sector level. Taylor assesses the scope and nature of various interventions to reduce income and wealth inequalities using his simulation model, disentangling wage growth and productivity while challenging mainstream models.

LANCE TAYLOR is the Arnhold Professor Emeritus of International Cooperation and Development and was director of the Center for Economic Policy Analysis at the New School for Social Research.

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Macroeconomic Inequality from Reagan to Trump

Market Power, Wage Repression,
Asset Price Inflation, and Industrial
Decline

LANCE TAYLOR

New School for Social Research, New York
(with contributions from Özlem Ömer)



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