Inequality Trends — 2017–2021

Trump Administration (First Term)

Metrics and Measured Outcomes

Metric	Observed Change	Score	Interpretation
Real median household income	▲ strong 2017-19, then ▼▼ COVID shock, offset by transfers	-1	Unemployment fell to a 50-year low of 3.5% by late 2019, with wage growth fastest for lower earners; the 2020 pandemic recession was historically severe, but federal transfer payments were large enough that aggregate personal income and measured poverty actually improved.
Income share of bottom 50%	▲ tight-labor-market gains, then transfer-driven 2020 support	-1	The pre-pandemic tight labor market produced genuine wage compression at the bottom; pandemic stimulus checks and enhanced unemployment benefits then lifted an estimated 18 million people out of poverty in April 2020 alone.
Wealth share of top 10%	▲▲ boosted by tax cuts and a fast equity recovery	+1	Corporate tax cuts supported record stock buybacks and valuations before the pandemic; markets then fell sharply in March 2020 but recovered to new highs by year's end, benefiting asset holders disproportionately.
Homeownership by age cohort	▲ rising from cycle lows	-1	Homeownership rose from its post-crisis trough, aided by historically low mortgage rates that fell further after emergency Federal Reserve action in 2020.
Labor share of national income	~mixed	+0	A tight pre-pandemic labor market modestly firmed labor's position, while the 2020 shock hit both employment and corporate profits sharply before both began recovering by year's end.
Intergenerational mobility indicators	~neutral within term	+0	No major structural shift is observable within a single term; the pandemic's longer-run mobility effects would play out over the following decade.

Raw metric total: -2 **External adjustment:** +0 **Net score:** -2

Policy Levers and Their Effects on Inequality

This term contains two large, distributionally opposite actions of comparable scale, echoing the pattern first seen in Clinton's first term. The Tax Cuts and Jobs Act (2017) permanently cut the corporate tax rate from 35% to 21% while cutting individual rates only temporarily through 2025; independent analyses found the top 1% received roughly a third of the corporate tax reduction, and by 2025 the top 1% is projected to receive an average cut of $61,090 versus $910 for the middle quintile and $70 for the lowest quintile. Repealing the ACA's individual mandate penalty (also in the TCJA) was projected by the CBO to leave up to 13 million fewer people insured, concentrated in the bottom 30% of the income distribution.

The COVID-19 pandemic then produced the largest and fastest federal income-support intervention of the entire 1977-2025 period. The CARES Act (2020) delivered roughly $500 billion in stimulus checks and expanded unemployment benefits, which Columbia University researchers estimated lifted 18 million people out of poverty in April 2020 alone; Census Bureau data later confirmed the official poverty rate fell to a record low in 2020 once government assistance was counted, despite the sharpest quarterly GDP contraction on record. No external adjustment is applied: the TCJA's well-documented top-heavy design and the CARES Act's historically large, broad-based transfer payments are both major, well-quantified forces pulling in opposite directions within the same term, and the six metrics above already reflect their net effect.

Placement on the Wealthy ↔ Common Man Scale

With a net score of **-2**, this period is classified as described below.

Classification: Plus For Common Man