

## Draw a connection circle

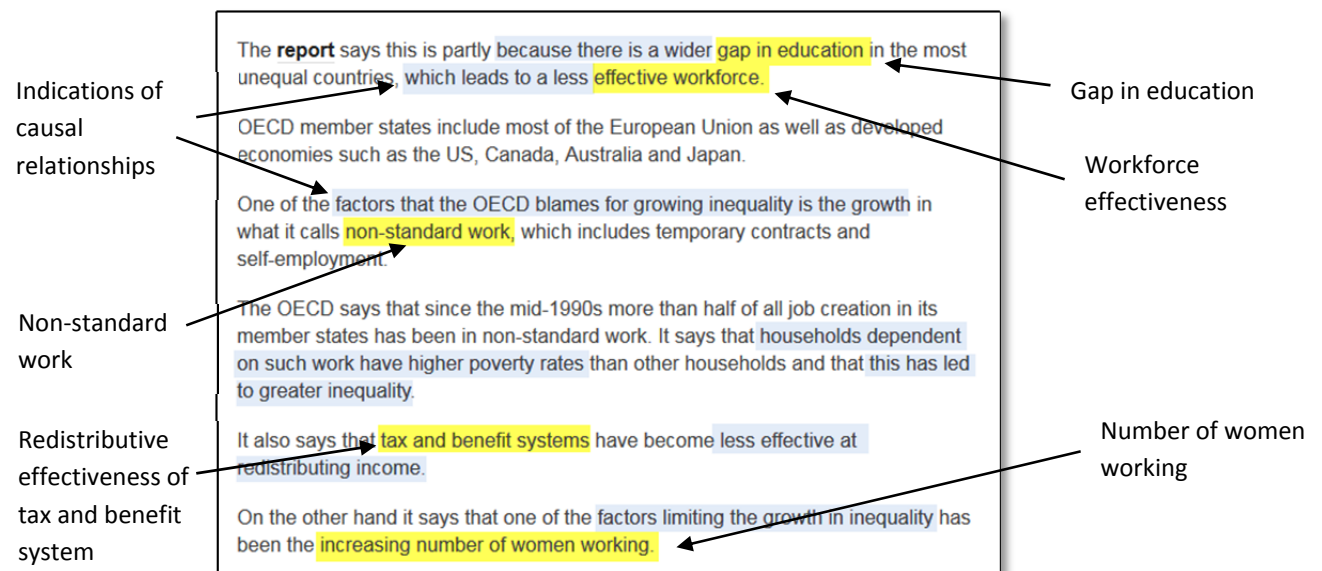
In our previous chapter we answered the first two questions concerning this situation.

1. What is changing? The gap in earnings between the richest 10% of the population and the poorest 10%.
2. How is it changing? The gap in earnings between the richest 10% of the population and the poorest 10% has been growing since the end of the financial crisis in 2012.

We will now draw a connection circle to help us answer the third question: Why is it changing?

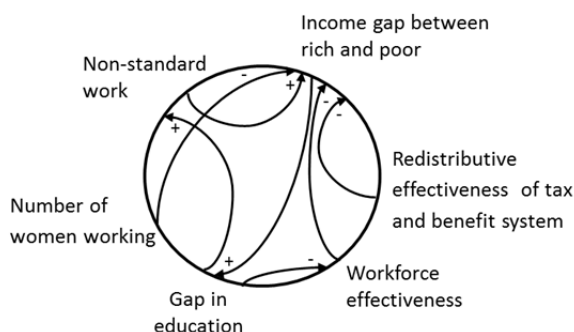
**Step 1:** We draw a circle.

**Step 2:** We identify all of the other variables that may be contributing to the change in the main variable. We can find this information in the text of the article. An extract is provided below. The variables are highlighted in yellow and indications of the causal relationships between them are highlighted in blue. We re-write the names of variables using nouns or noun phrase to make it easier to imagine them increasing or decreasing over time.



According to the article, these variables have all increased or decreased over the period. We can write them around the circle together with the key variable “income gap between rich and poor”.

**Step 3:** We connect the variables together according to our understanding of causal relationships.



This connection circle represents **my personal understanding** of the connections described in the article. Your circle may be different. We can now **share and compare our circles** to enrich our mental models of the situation.

We can now use circle to tell the systemic story: as the gap in education rises, more people are employed in non-standard jobs which increases income differences as less qualified and precarious work is generally paid less. This then increases the gap in education. Workforce effectiveness falls as the education gap grows which exerts pressure on the income gap. An increase in the number of women in the workforce and the effectiveness of the tax system both decrease the income gap. We can now start looking for actions to reduce the income gap.