Income Inequality
Implications For Tomorrow

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Half-Speed Ahead!

Estimated Potential And Actual U.S. GDP

Source: CBO
The Distribution of After-Tax Household Income More Concentrated Over Time

Source: Congressional Budget Office, International Monetary Fund
A problem for today and tomorrow
For the Poor, Little Chance of Entering the Upper End of the Income Range without a College Degree

Source: Haskins, Ron. “Education and Economic Mobility” 2008  Note: Calculations are based on the PSID, which compares children’s adult income at roughly age forty with that of their parents at about same age.
Education Improves U.S. Potential Growth

If the American Workforce completed one more year of schooling

Source: Oxford Economics, Standard & Poor's Estimates
...college is still worth the investment.

Lifetime Earnings (High School vs. Some College vs. College)

...but low income areas could be left behind.

Repayment difficulties of 2009 school leaving cohort by ZIP income

Source: FRBNY Consumer Credit Panel / Equifax; IRS
Thank You

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