

Income Inequality and the Economy: The Impact on Workers and Consumers

Public Affairs Forum

Date: September 13, 2017

Presented by:

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Recent Stagnation

Historical Comparison of Business Cycles

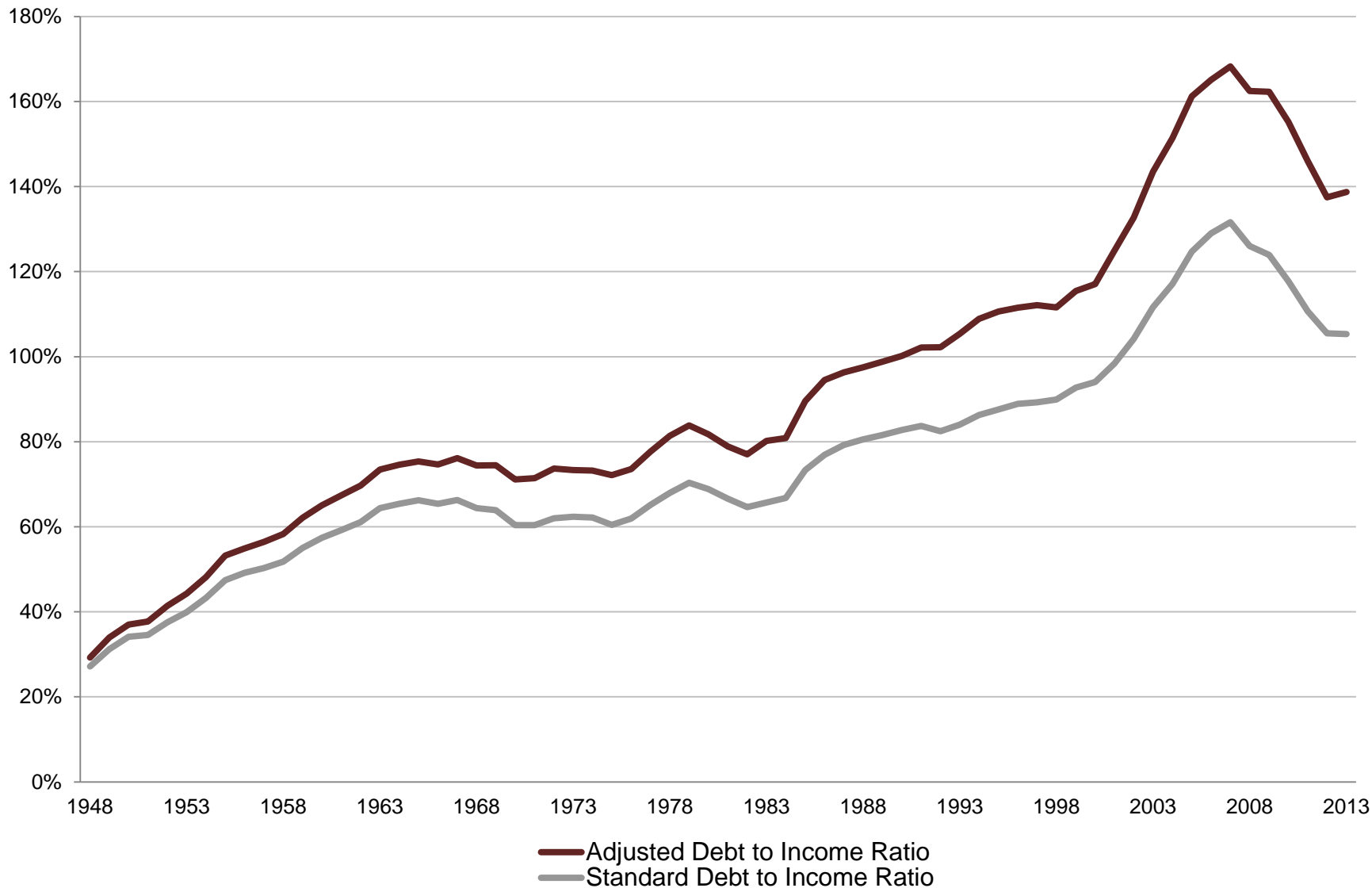
(Peak-to-peak growth of real GDP per capita)

Peak Dates	Total Growth (per capita)	Growth per Year (per capita)
1973:4 to 1979:3	11.9%	1.8%
1979:3 to 1990:2	25.0%	2.1%
1990:2 to 2000:2	24.2%	2.2%
2000:4 to 2007:4	10.9%	1.4%
2007:4 to 2017:2*	5.6%	<u>0.6%</u>

*Final cycle is incomplete

Household Debt to After-Tax Income

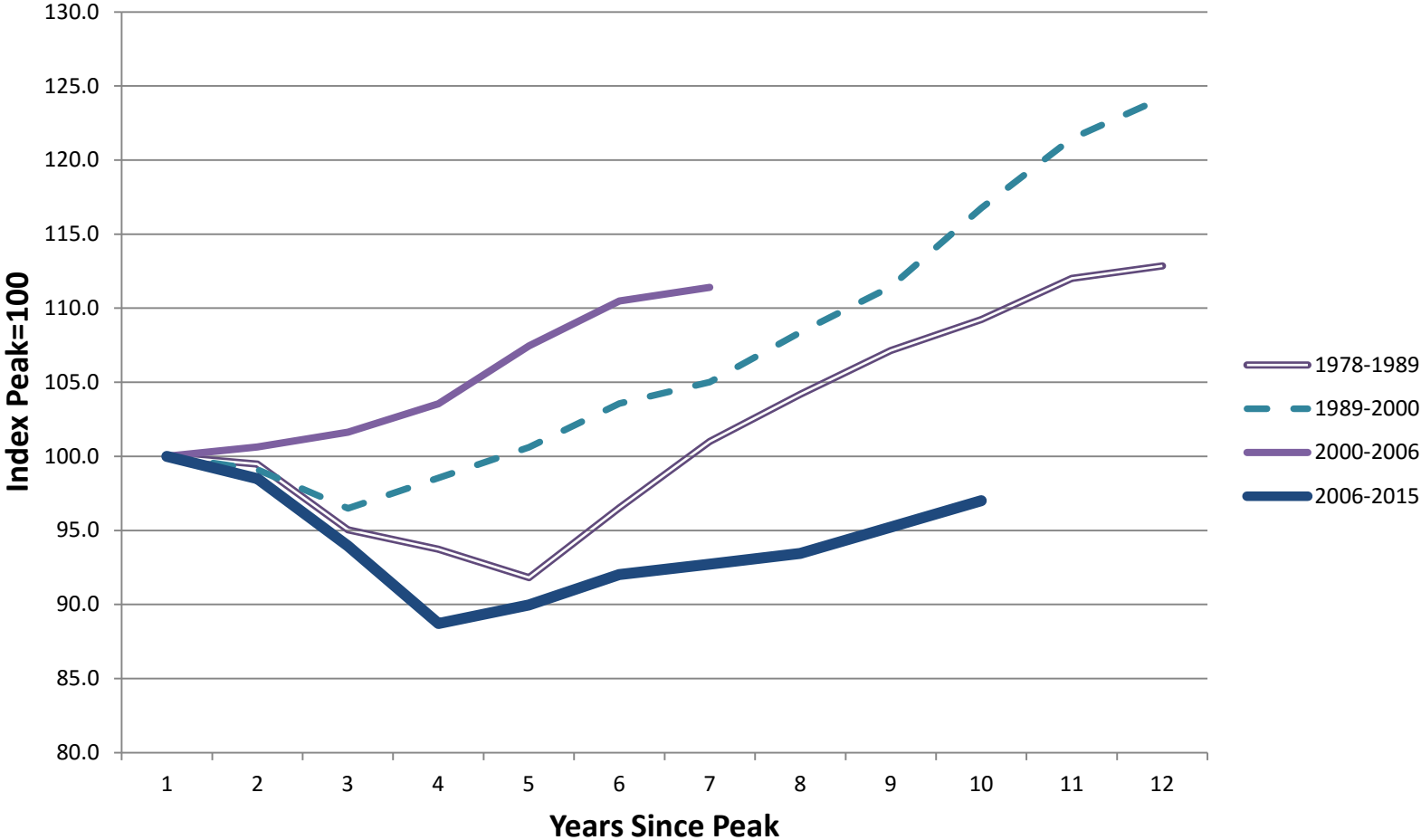
(Standard and Adjusted Measure based on Cynamon-Fazzari Review of Income & Wealth, 2015)



Weak Household Spending and the Stagnant Recovery

(Based on Cynamon-Fazzari Review of Income & Wealth, 2015)

Real Household Demand Profiles (Population Adjusted)



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