

The Economy and the You



First, some statistics

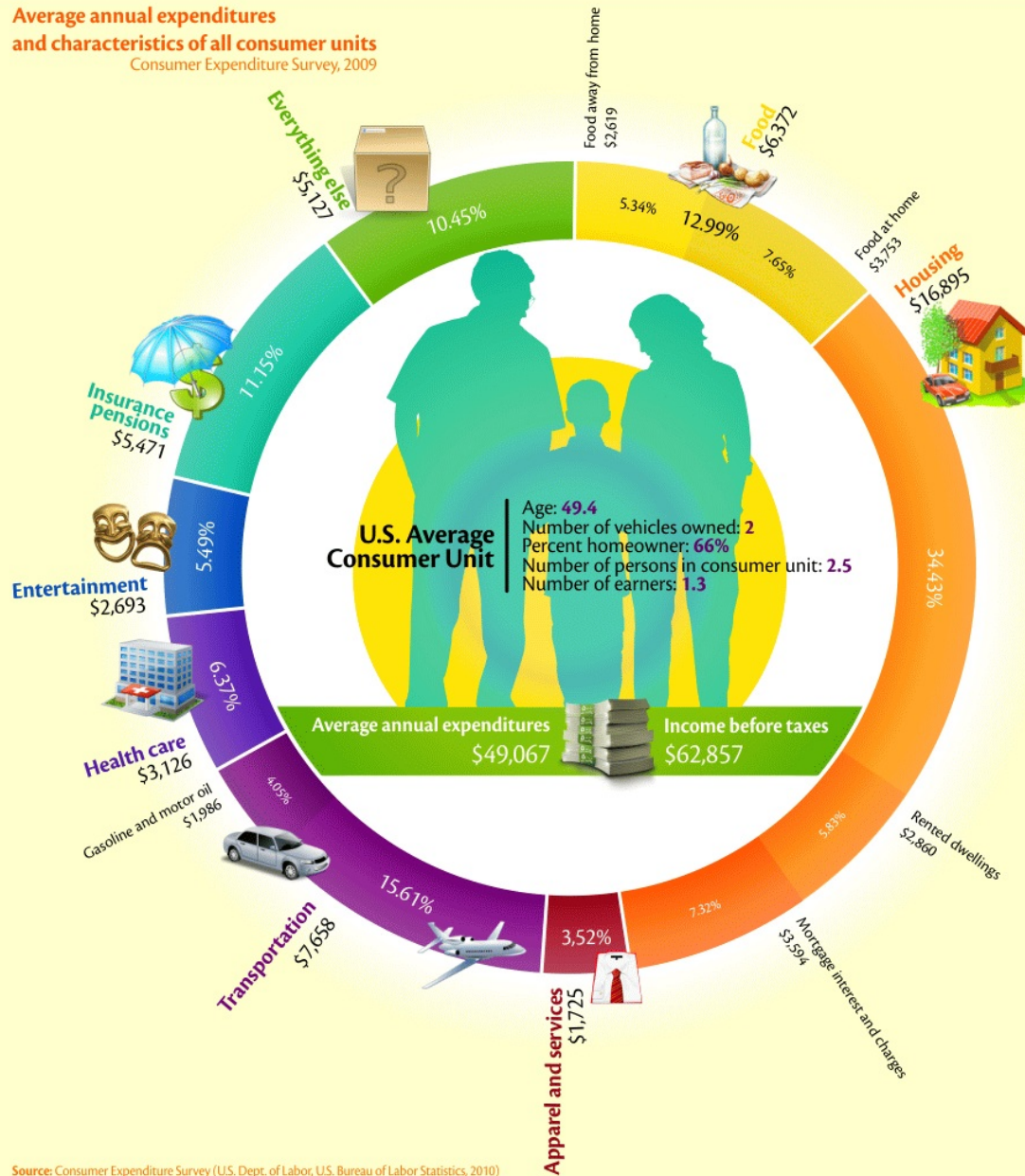
Credit cards and debt

- Total American consumer debt reached \$2.4 trillion in 2010.
- Americans carry approximately \$886 billion in credit card debt.
- Total American consumer debt is \$7,800 per person, with \$5,100 per credit card holder.
- The average household balance on credit cards was \$6,500 in 2010.
- 33% of consumer debt is revolving credit.

Where Does the Money Go?

The Department of Labor's latest survey provides a detailed look into how the average U.S. consumer unit spends their annual paycheck.

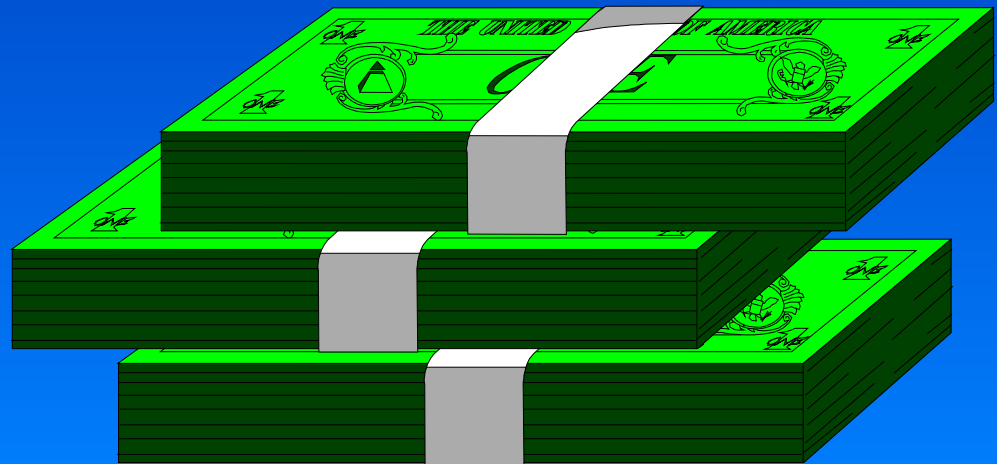
Average annual expenditures and characteristics of all consumer units
Consumer Expenditure Survey, 2009



Source: Consumer Expenditure Survey (U.S. Dept. of Labor, U.S. Bureau of Labor Statistics, 2010)

Student debt

- In 2009, the average college student graduated with \$24,000 in debt
- In 2009, the average UD graduate had \$41,399 in debt.



Reasons for student debt

From USA Today, 11/19/2006

- Skyrocketing tuition.
- Declining student grants.
- Soaring student-loan debt.
- Flat wages.



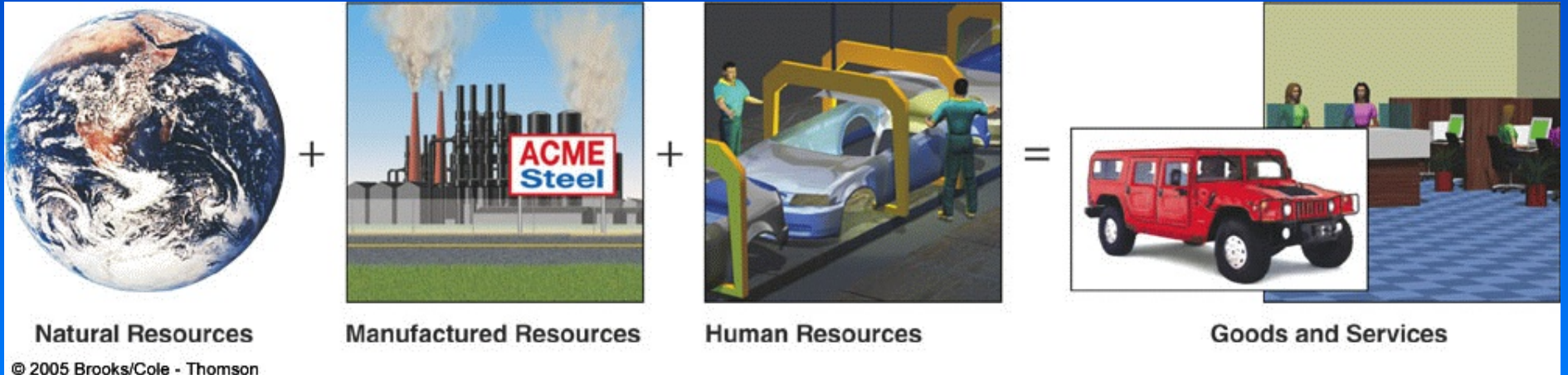
Ways to reduce debt

- Delayed gratification.
- Increase Pell grants.
- Higher tax credits for student debt.
- Increase financial literacy.

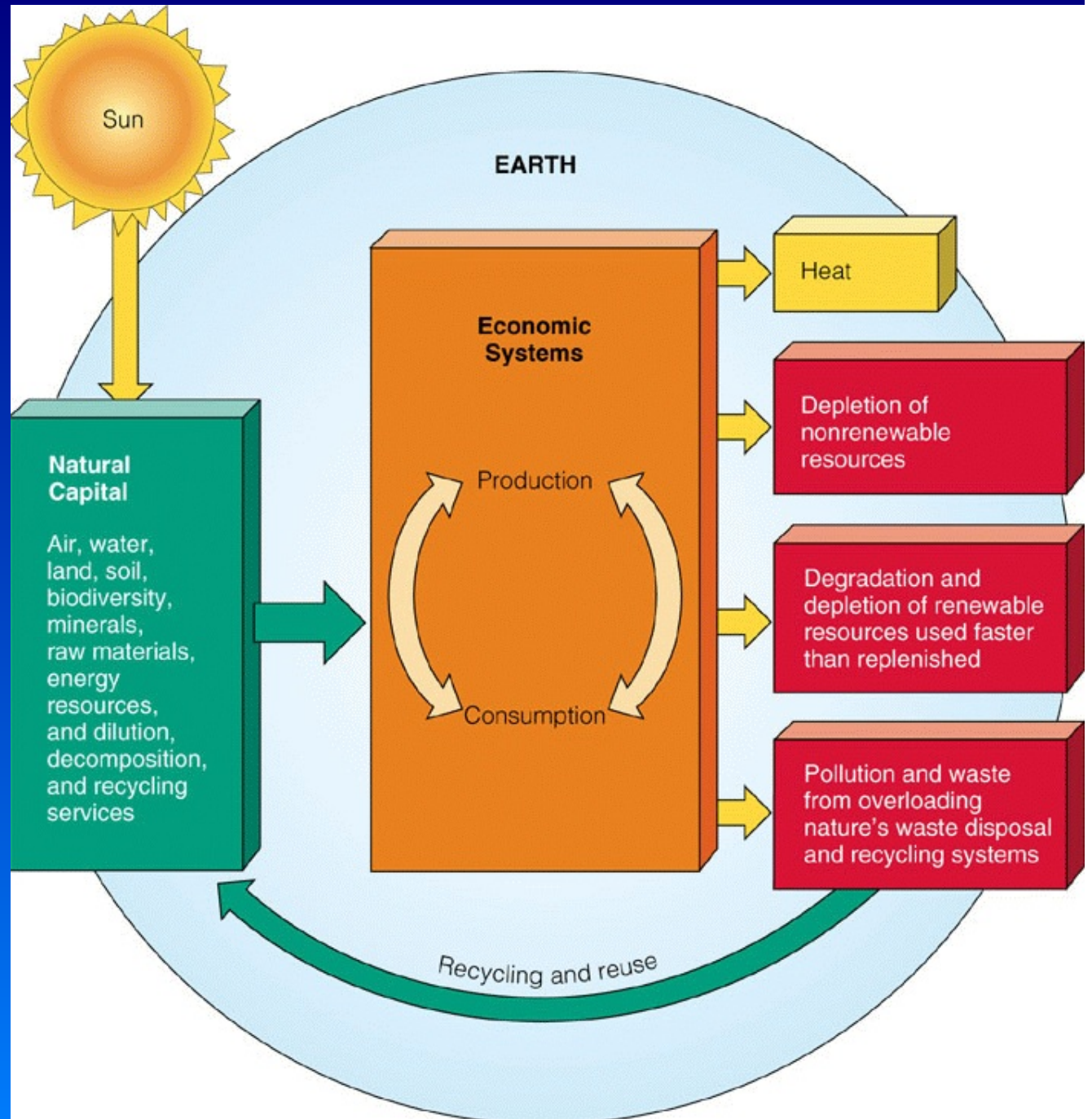


What drives the economy?

- Good science
- Good policies
- Good communities



Are environmental concerns part of the economy or is the economy part of the environment?



Possible policy changes

- Full-cost pricing.
- Adjust government subsidies.
- Adjust tax system.
- Use tradeable permits.
- Reduce poverty.



Richest fifth
85%

Poorest fifth
1.3%

Expenditures per year needed to

