FPP 20/20 Virtual Conference – Thursday Plenary
“Futurists Exploring Financial Capability for Tomorrow’s World”
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FPP 20/20 – Virtual AND Live Conference!

6 Virtual Conference Events
May 27 – 28 – 29
FPP Website > Events

Two Days of Immersive Learning, Influence, Connection and Partnership
Tuesday, July 28 – Wednesday, July 29
Omni Orlando at Championsgate
Questions/Comments for Shared Learning
FUTURISTS EXPLORING FINANCIAL CAPABILITY FOR TOMORROW’S WORLD

Presented by Dale Brill and Daniel Williams
HOW TO FIT 15 POUNDS OF MANURE INTO A 10 POUND BAG

SOLVING FOR THE AFTERMATH OF COVID-19

Since the time we initially began planning this discussion, the world has changed significantly.

As 40+ million Americans grapple with unemployment, and even more with uncertainty, we want to discuss what the economy will look like for the Middle Class in the aftermath of a global economic shock.

And how to best prepare for the next one.
AGENDA
POLICY SUGGESTIONS

Practical Questions:
Is this recession different?
Are we impacting the root causes?
How do we create a more equitable system?
How do we improve the quality of jobs?
What impact will automation play?

Philosophical Questions:
Am I my brother’s keeper?
Is “the market” the paradigm for solutions?
Humanity for the economy? Or the economy man?

BUILDING A BETTER MOUSETRAP

For Discussion
Strengthen fiscal policy: Automatic triggers
  • More flexible
  • Faster
  • Sustained
Upskilling
UBI
Intellectual Revolution
CONTEXT
Percent of Children Earning More than their Parents
By Parent Income Percentile

Pct. of Children Earning more than their Parents

Parent Income Percentile
• United Way’s ALICE Report for Florida reveals: 3.61 million households (46%) are unable to sustain a $400 financial emergency (pre-pandemic).

• Bankrate’s January Financial Security Index survey reveals that just four in 10 U.S. adults (41 percent) would cover the cost of a $1,000 car repair or emergency room visit using savings (pre-pandemic).

But...THIS recession is different.

Triple Whammy in Economic Shocks:

• Supply side (production)
  • Labor disruption triggering production disruptions

• Demand side (consumption)
  • Hallowing out of consumer confidence
  • Unemployment and wage impacts

ADD

Equity market chaos
LESSONS LEARNED

• During a recession, the costs fall harder on those who face structural disadvantages.
  
  Unemployment:
  
  2007: 8.3% (Black) vs. 4.1% (White)
  
  2009: 15.8% (Blacks) vs. 9.2% (Whites)

• Middle-class mean incomes took nine years to recover to pre-recession levels but four years for top five percent; meanwhile, bottom 20% still had not recovered.

• Slowed business formation.
LESSONS LEARNED (continued)

• Diminished private investments needed to yield long-run payoffs (-21% during Great Recession).

• Diminished public investment from lower tax revenues.

• Added pressure to close budget gaps by reducing spending in education and public health.

• Increased mismatches between skills and jobs (underemployment).

• Reduced labor force participation (giving up).
FACTS AND FIGURES

The Geography of Upward Mobility in the United States
Chances of Reaching the Top Fifth Starting from the Bottom Fifth by Metro Area

San Jose 12.9%
Salt Lake City 10.8%
Atlanta 4.5%
Washington DC 11.0%
Charlotte 4.4%
New York City 10.5%
Chicago 6.5%
Minneapolis 8.5%

Note: Lighter Color = More Upward Mobility
Download Statistics for Your Area at www.equality-of-opportunity.org

The Geography of Upward Mobility in the Orlando Area
Chances of Reaching the Top Fifth Starting from the Bottom Quarter by Census Tract

Parramore: <1%
Winter Park: 22%
College Park: 15%
Altamont Springs: 29%
Lake Nona (A): 17%
Lake Nona (B): 5.2%
Storey Lake: 6.7%

Download Statistics for Your Area at www.equality-of-opportunity.org
Five Strongest Correlates (Root Causes) of Upward Mobility

1. Neighborhood (segregation): Greater racial and income segregation associated with lower levels of mobility

2. Income Inequality: Places with smaller middle class have much less mobility

3. School Quality: Higher expenditure, smaller classes, higher test scores correlated with more mobility

4. Family Structure: Areas with more single parents have much lower mobility; Strong correlation even for kids whose own parents are married

5. Social Capital
   4. “It takes a village to raise a child”
SOLUTION
QUEST
• “We estimate that 42% of recent pandemic-induced layoffs will result in permanent job loss,”
says Steven J. Davis of the University of Chicago Booth School of Business

• The road “back to normal” is not going to be easy, and “normal” may look very different.
MACROECONOMIC TOOLS

MONETARY POLICY
• Money Supply
• Interest Rates

FISCAL POLICY
Tax Cuts
Government Spending
  Individual Safety Net: SNAP, UI, etc.
  Infrastructure
  Corporate Safety Net
DISCUSSION STARTERS

Strengthen fiscal policy: Automatic triggers
  • More flexible
  • Faster
  • Sustained

Upskilling

UBI

Intellectual Revolution
Questions/Comments for Shared Learning

ELEVATING FINANCIAL CAPABILITY FOR ALL
FPP “Better Together” Sessions

LEARNING. INFLUENCE. CONNECTION. PARTNERSHIP. FPP.

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