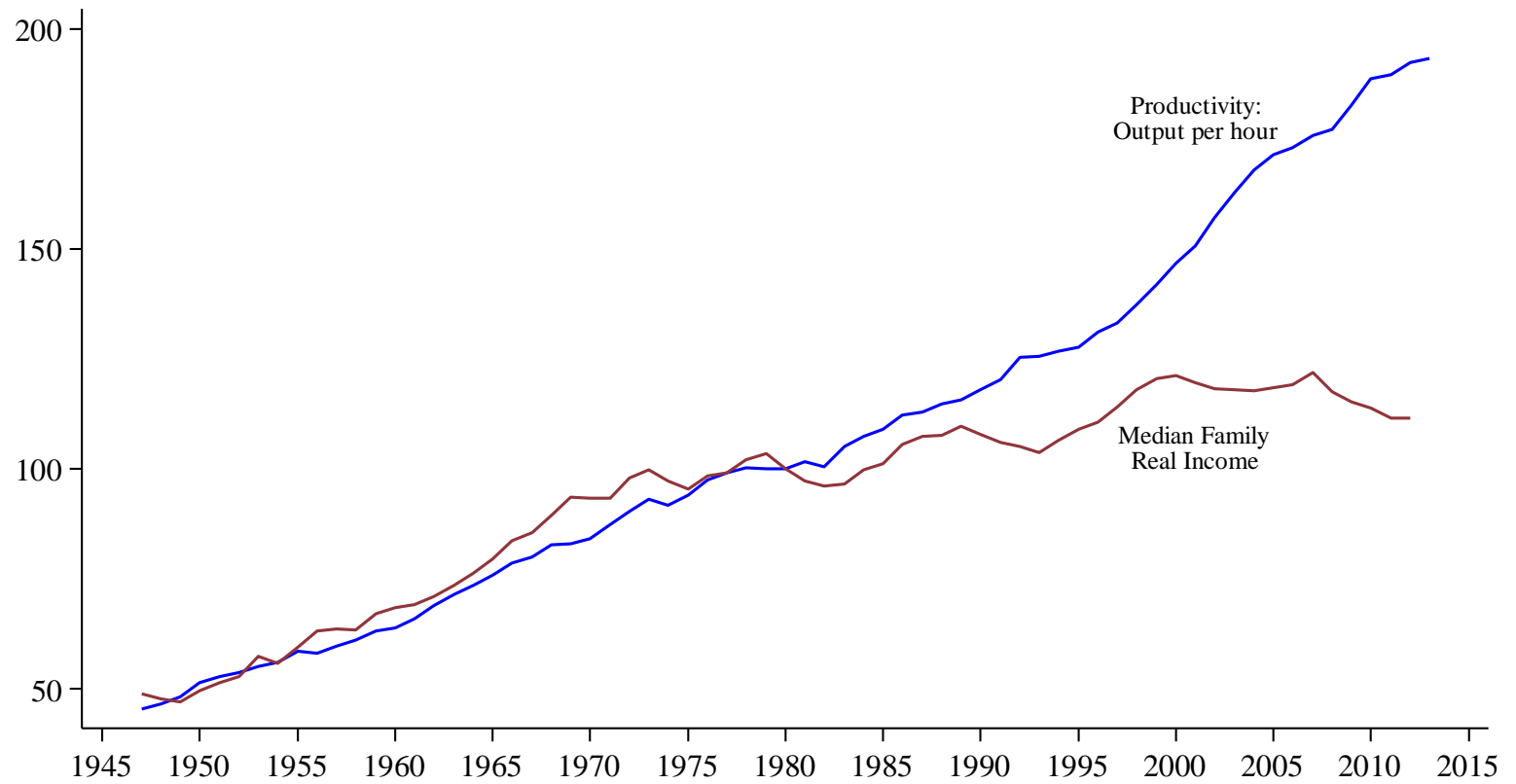


Consequences of Inequality for economic performance

The Finance Channel

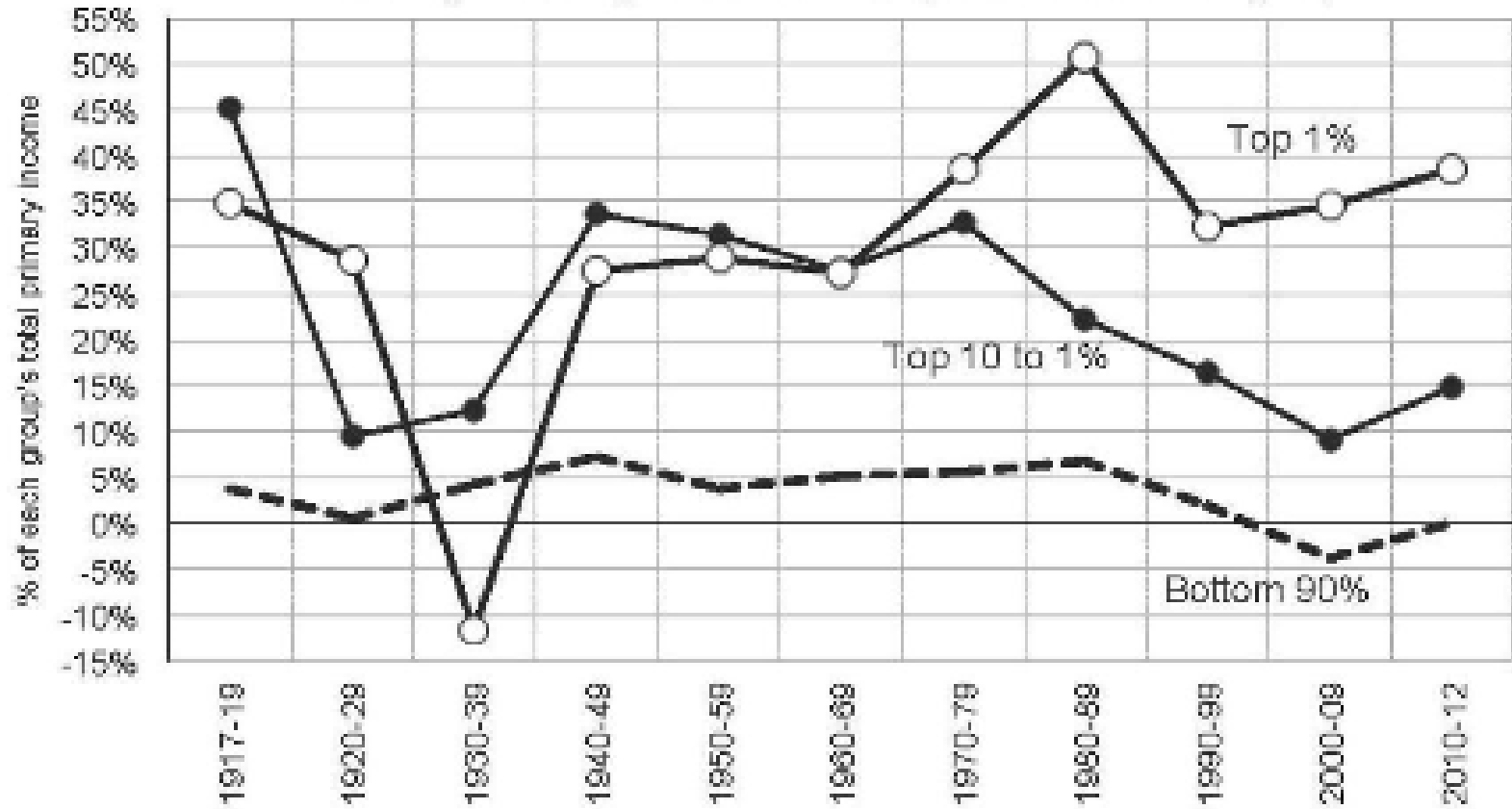
Atif Mian
Princeton University

Inequality and Finance



houseofdebt.org, @profsufi & @AtifRMian, Data source: BLS, CPS

Saving rates by wealth class (decennial averages)



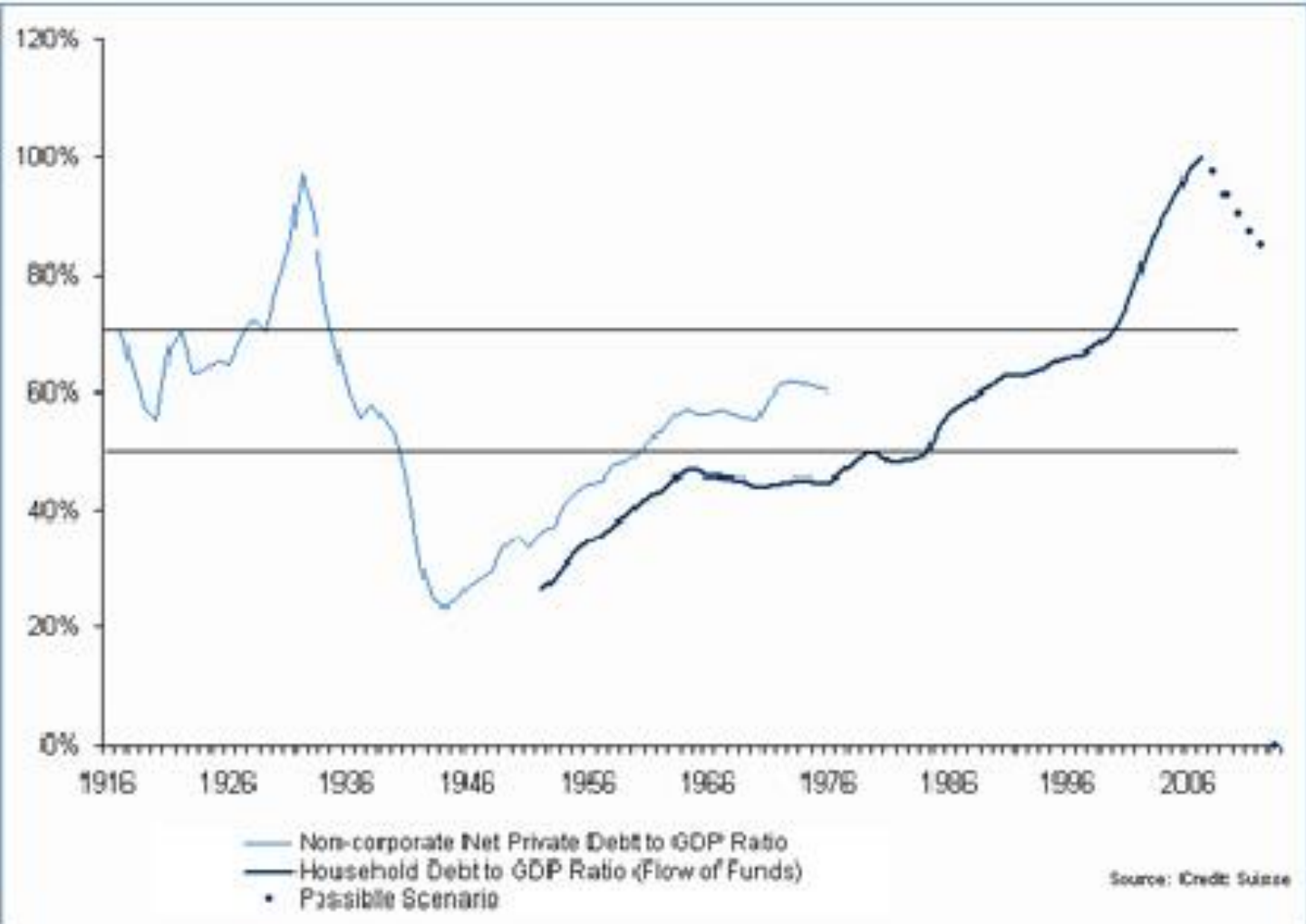
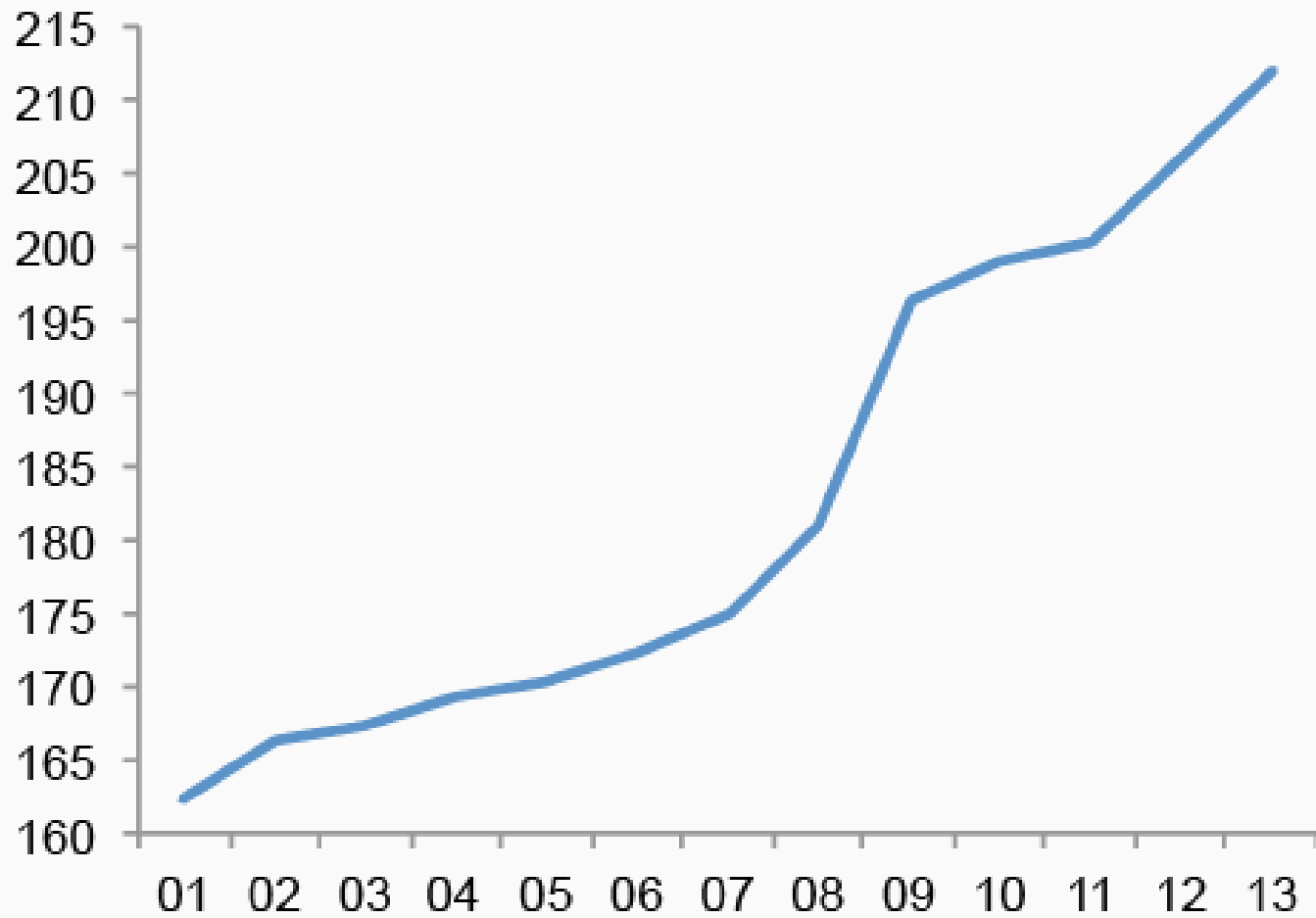
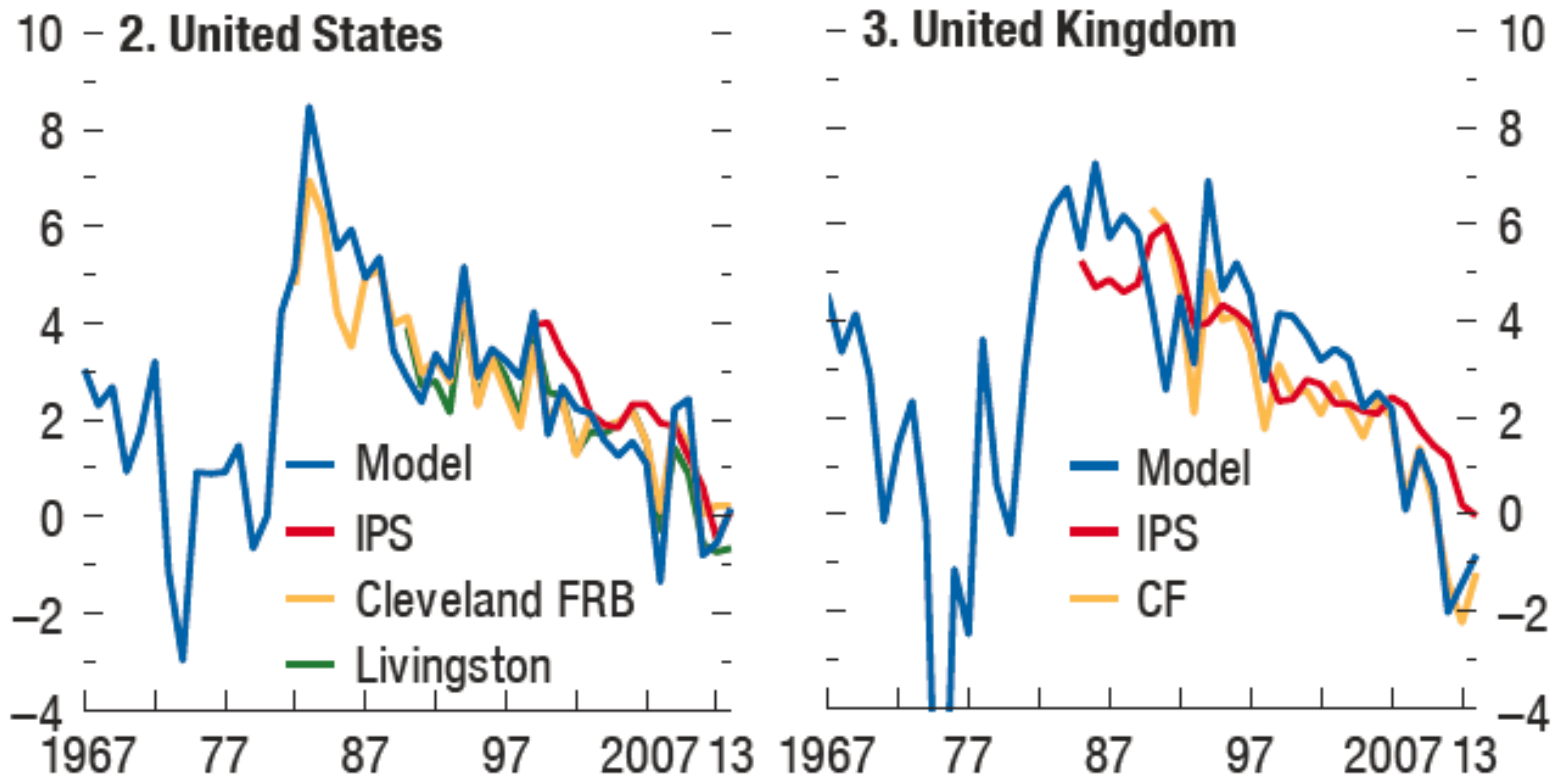


Figure 1. Global debt-to-GDP ratio, 2001-13



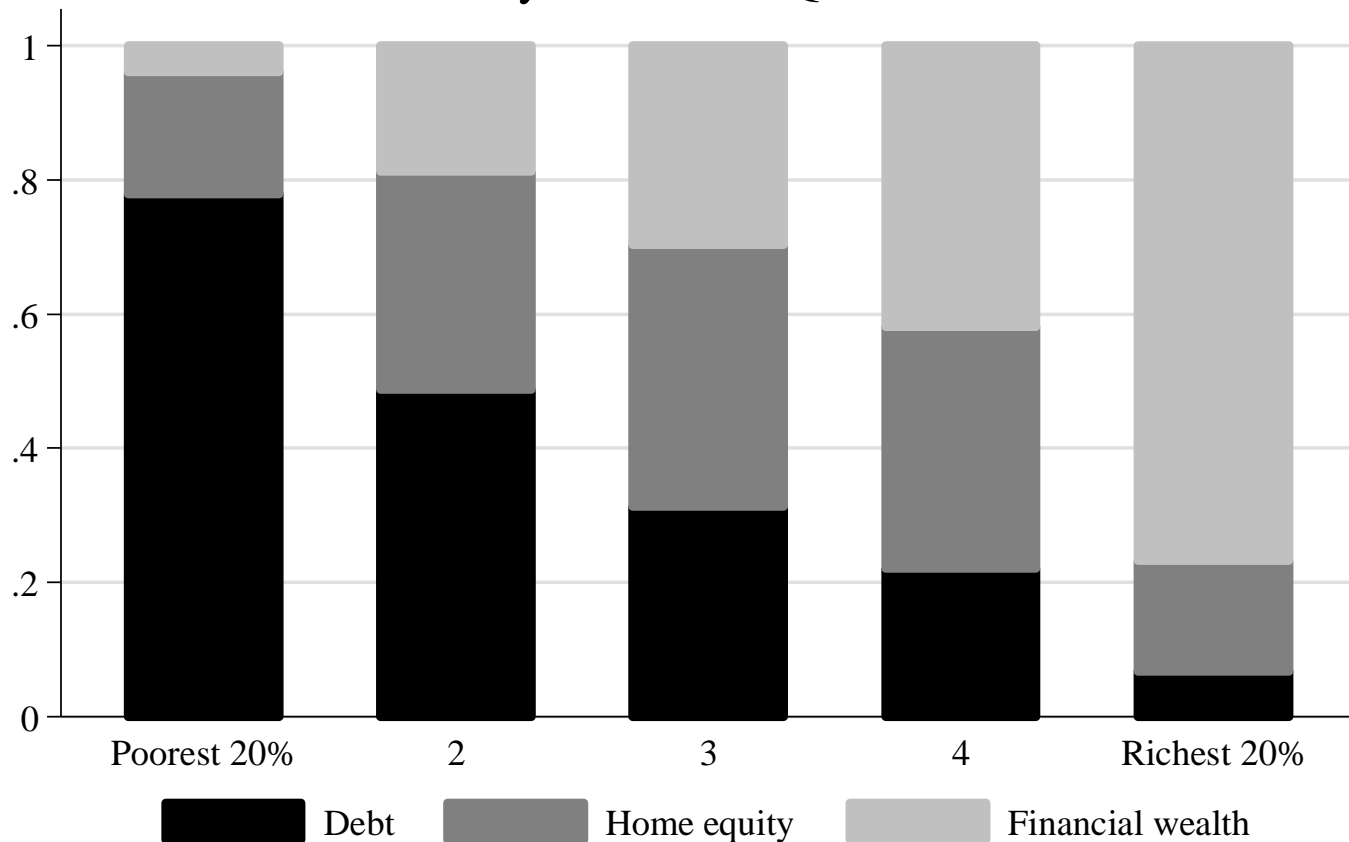
Ten-Year Real Interest Rate Comparison



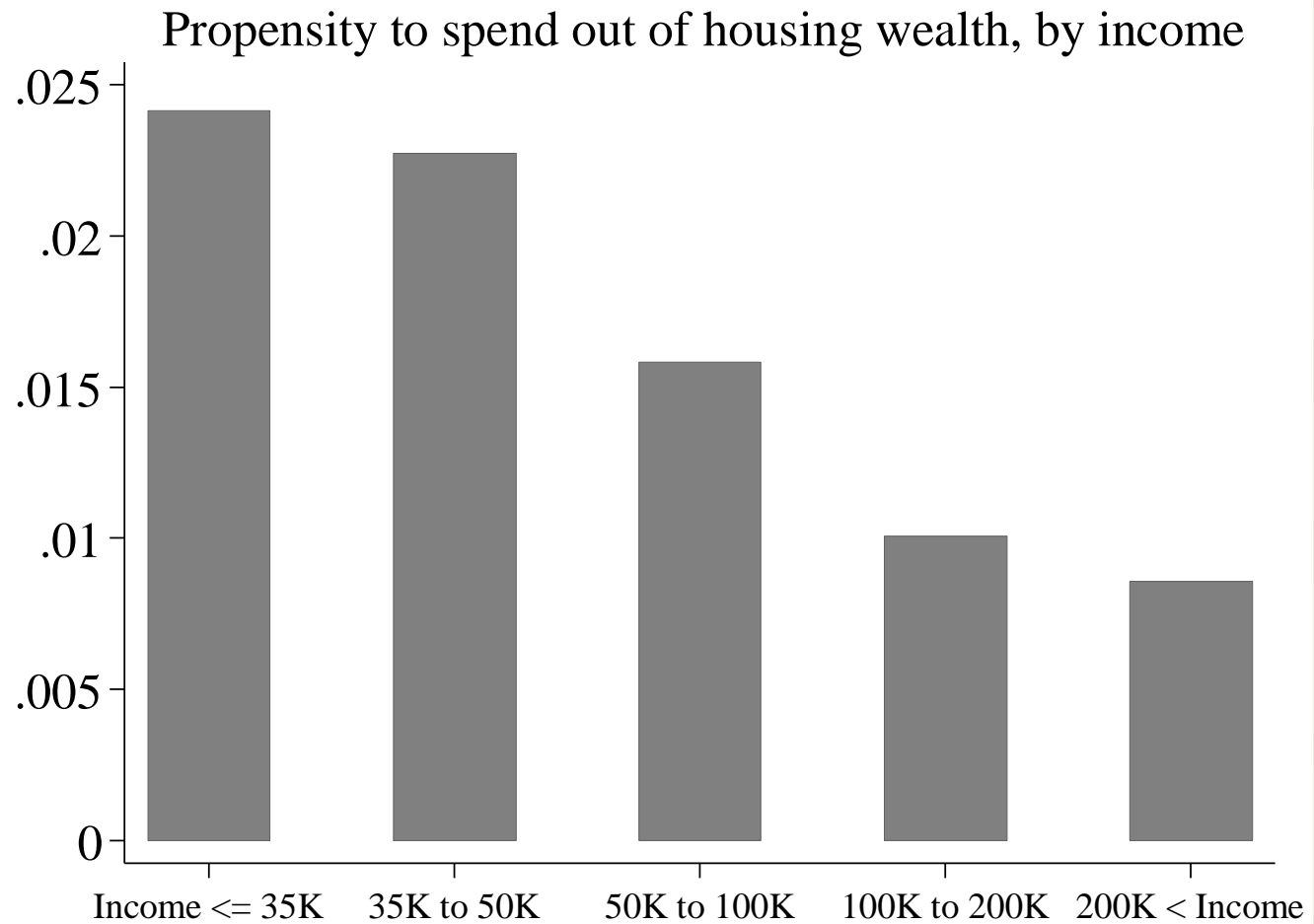
Finance, Shocks and Redistribution

The Rich Lend to the Poor

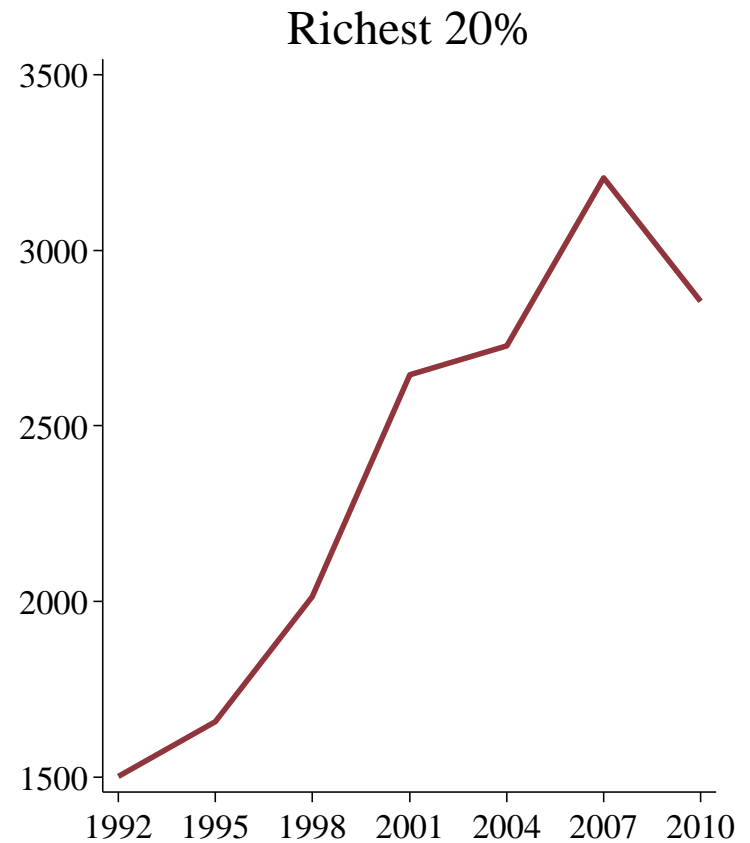
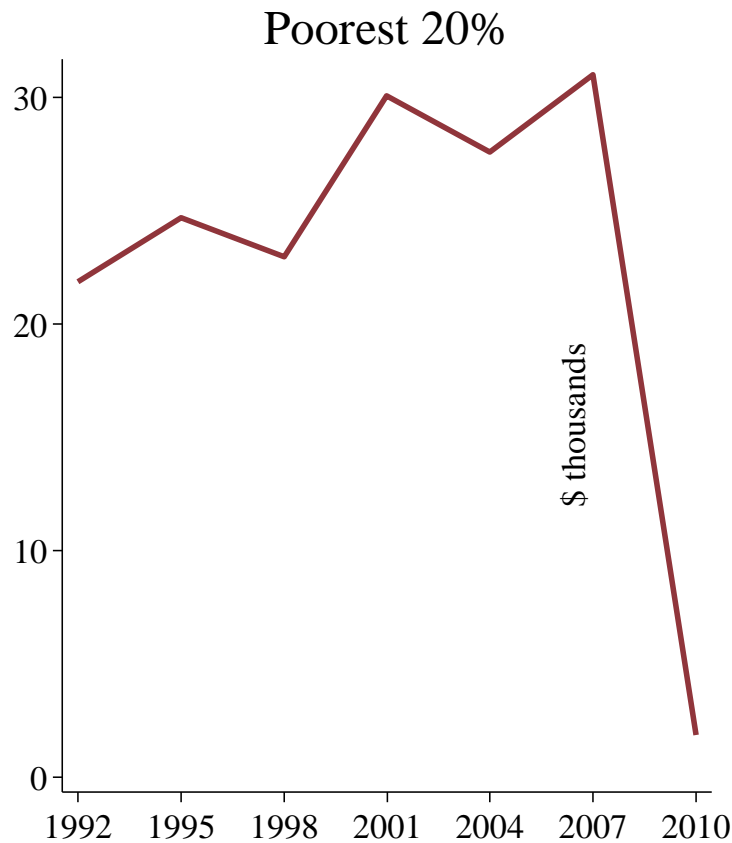
Leverage Ratio for Homeowners, 2007
By Net Worth Quintile



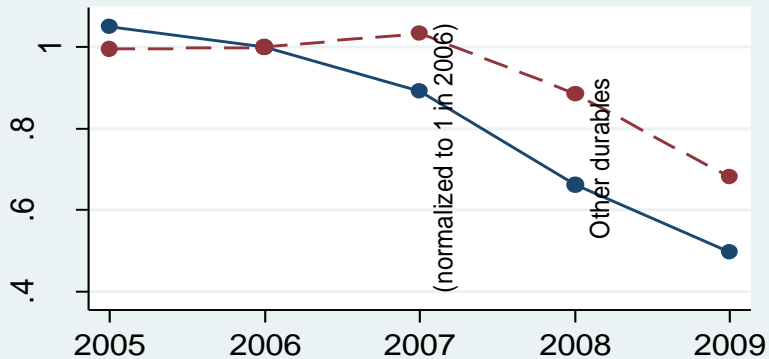
MPC Heterogeneity



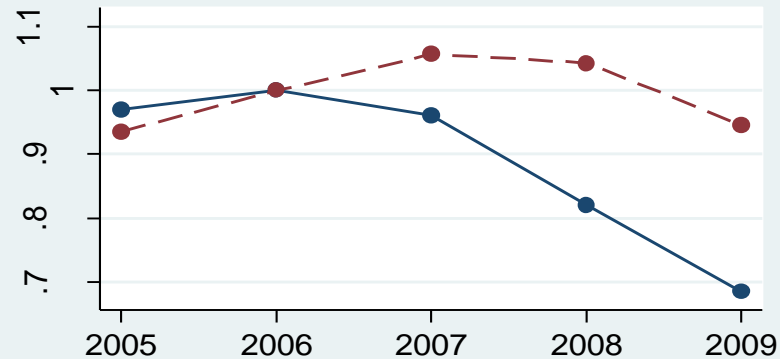
The Distribution of Losses Matters!



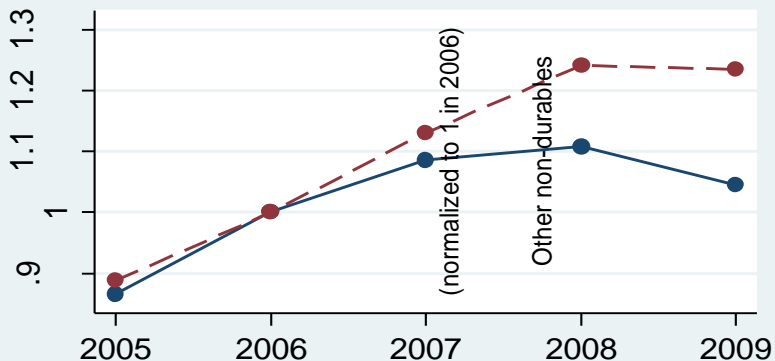
Auto sales



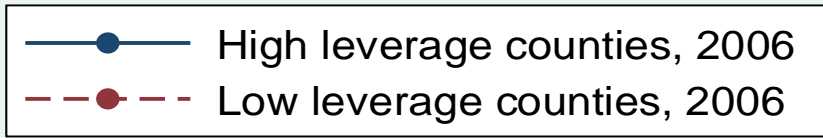
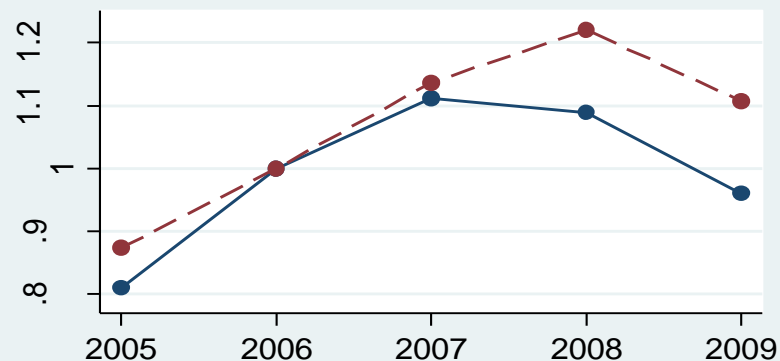
Other durables



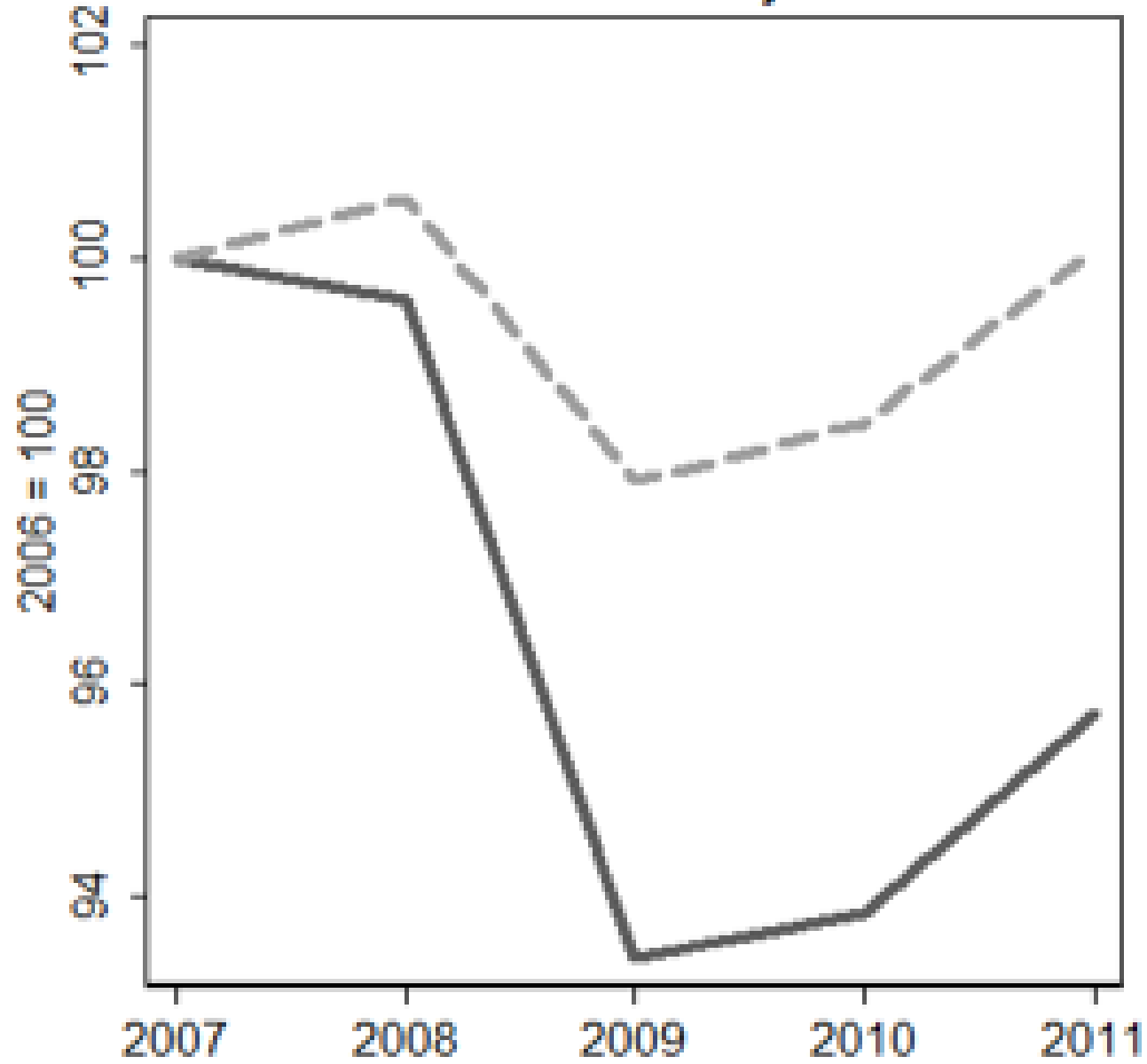
Groceries



Other non-durables

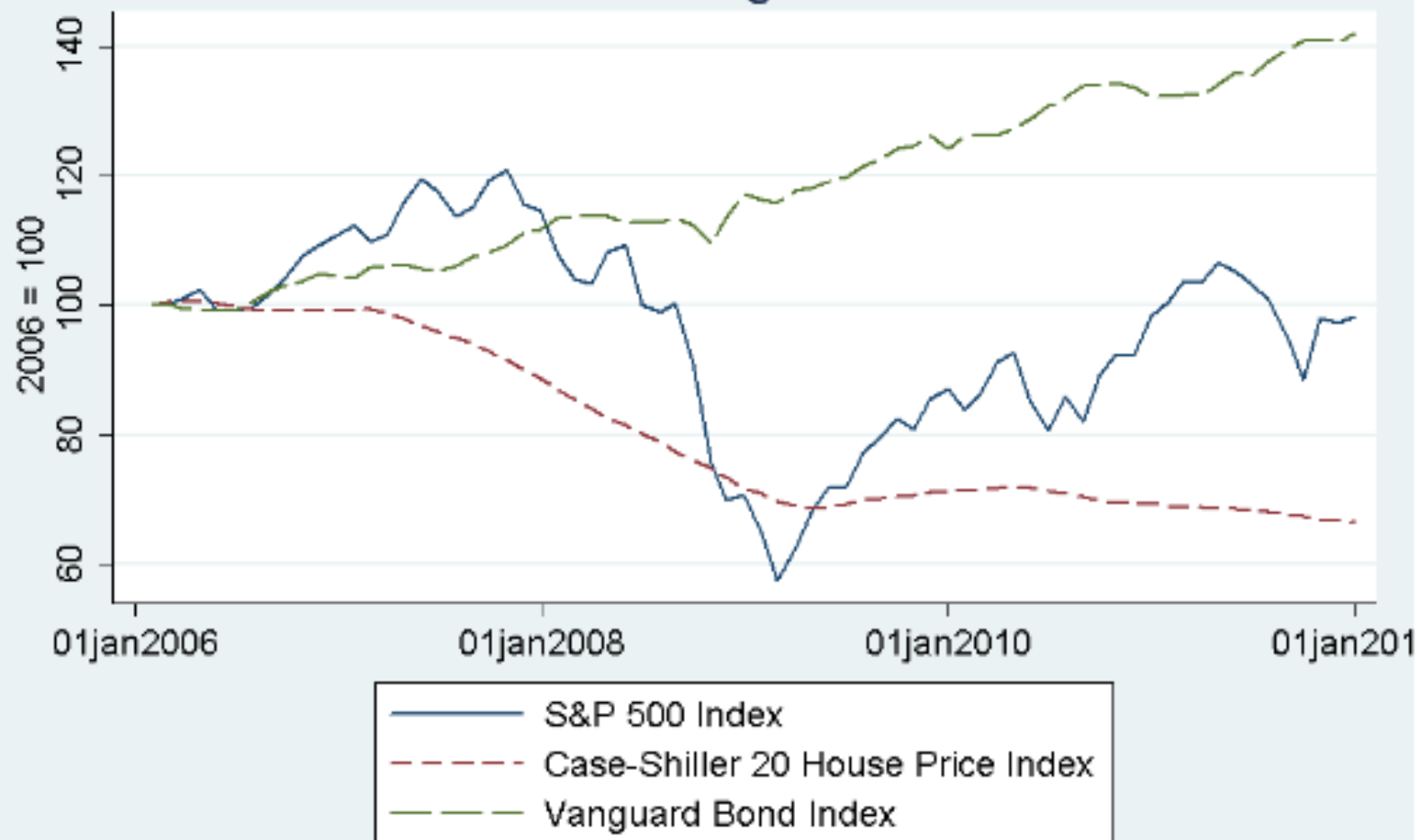


Non-tradable jobs



Monetary Policy and Redistribution

Asset Prices During Great Recession



Looking Forward