

# Bay Area Community Council

## Signals Team Report: Pathways for Success

February 2021

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### EXECUTIVE SUMMARY

#### Introduction

There are two ways to identify key factors and signals for addressing upward mobility and the pathway to success for our purposes:

1. Compare the greater Green Bay area to Wisconsin and the U.S.  
While there is a strong element of self-determination in historical definitions of upward mobility in the U.S., there is an emerging theory of social supports necessary to improve the likelihood that individuals will be able to achieve upward mobility.
2. Compare the US to other industrialized countries  
This provides insights into unique approaches to upward mobility from countries that have more positive rankings. However, it may not take into account well-ingrained cultural norms which could impact the success of those approaches in the U.S.

#### Organization of the Report

Following the Executive Summary, there are four appendices:

Appendix A: Executive Summary Supporting Data

Appendix B: Boosting Upward Mobility: Metrics to Inform Local Action

Appendix C: International Social Mobility

Appendix D: Scenarios for the future

#### Pathways for Success Signals

The concept of upward mobility is treasured in America, and is often referred to as “the American Dream.” The American Dream is “the belief that anyone, regardless of where they were born or what class they were born into, can attain their own version of success in a society where upward mobility is possible for everyone. The American Dream is achieved through sacrifice, risk-taking, and hard work, rather than by chance (Investopedia, <https://www.investopedia.com/terms/a/american-dream.asp>).”

The Urban Institute has published *Boosting Upward Mobility: Metrics to Inform Local Action* (<https://www.urban.org/research/publication/boosting-upward-mobility-metrics-inform-local-action>). The Urban Institute groups measures into three major drivers: Strong and Healthy Families, Supportive

Communities, and Opportunities to Earn and Learn. Our report compares these measures in the greater Green Bay area to Wisconsin and the nation.

## Key Findings in Upward Mobility: Greater Green Bay Area

- The reality of upward mobility in the U.S. has become more difficult to achieve.
- Despite the cultural importance of upward mobility, the U.S. does not compare favorably to many other countries.
- Brown County does not notably excel or lag behind other parts of the state or country on most measures identified by the Urban Institute.
- Opportunity to Learn and Earn Indicators--pre-college education measures exceed expectations across all districts in the greater Green Bay area.
- Local governance measure--while there is no objective data available, it does not appear that the composition of local government governing bodies and key elected officials have a mix of racial and ethnic diversity reflective of the local population. Voter turnout is typically higher than Wisconsin or the U.S., but follows the same pattern of higher turnout in presidential election years.

## Key Findings in Upward Mobility: International Upward Mobility

A variety of arguments might be put forth for not comparing U.S. policies and practices related to upward mobility to other countries. Here are a few:

Argument: Less regulation leads to greater opportunities for upward mobility. European economies have higher taxes, greater regulation, more union coverage, universal health care, and a more comprehensive government-sponsored social support network than the U.S. Because of this, we should be reluctant to compare efforts to advance upward mobility in Europe to those in the U.S., under the assumption that upward mobility is more possible in the U.S.'s environment of lower levels of regulation and social supports.

Counter: The US does not compare favorably in upward mobility to member countries of the Organisation for Economic Co-operation and Development (OECD). (Economic Policy Institute, October 10, 2012, <https://www.epi.org/publication/usa-lags-peer-countries-mobility/>)

Argument: The American Dream is a unique opportunity afforded Americans, and anyone who exerts the effort can succeed.

Counter: The U.S. ranks 27th in the world on the Social Mobility Index developed by the World Economic Forum. Seventeen of the top 20 most socially mobile countries are in Europe. In the United States it takes five generations for a low-income family to reach mean income. The U.S. is outpaced by Denmark, Norway, Finland, Sweden, Iceland, Switzerland and Austria.

Argument: The U.S. cannot implement the social and economic policies seen in other industrialized nations because we are so diverse.

Counter: Denmark, Norway and Switzerland which rank 1st, 2nd, and 7th respectively on the Social Mobility Index, are all ethnically diverse. Denmark is 13.6% other, Norway 20% other, and Switzerland 31.5% other. The United States is 36.7% other.

Argument: The United States is already the most educated country based on the percent of persons age 25-64 who have completed a two year degree, four-year degree or vocational program.

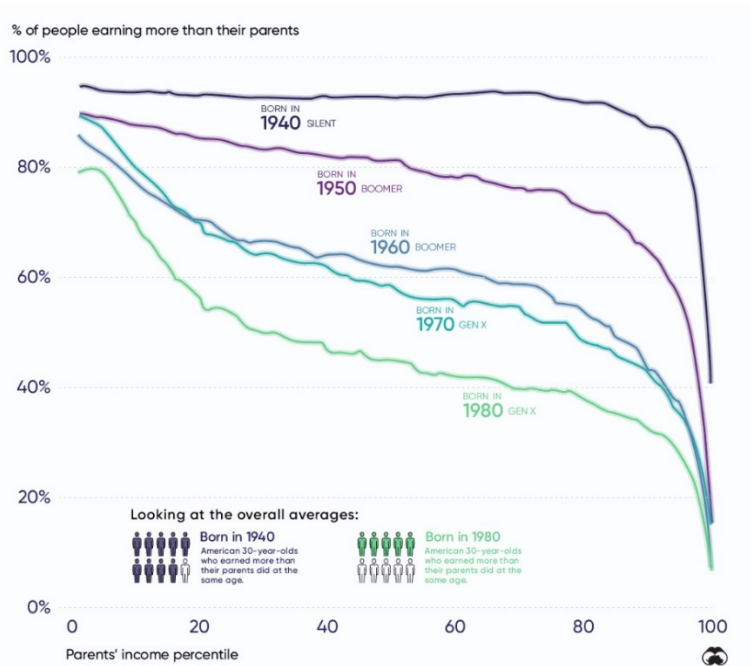
Counter: Canada is ranked as the most educated country in the world. The U.S. is ranked, 6<sup>th</sup>, preceded by Japan, Israel, Korea, United Kingdom. In Canada, 5.6% attend private school versus 14.3% in the United States. (<https://worldpopulationreview.com/country-rankings/education-rankings-by-country>; <https://www.fraserinstitute.org/sites/default/files/OntariosPrivateSchools.pdf>; [https://en.wikipedia.org/wiki/List\\_of\\_countries\\_by\\_tertiary\\_education\\_attainment](https://en.wikipedia.org/wiki/List_of_countries_by_tertiary_education_attainment))

Additional arguments and counter arguments are contained in the international data section.

### **What are the implications for the greater Green Bay area?**

This report can serve as a basis for further research into unique approaches to boosting upward mobility in the US and across the world.

## Appendix A: Executive Summary Data



The Visual Capitalist, <https://www.visualcapitalist.com/the-decline-of-upward-mobility-in-one-chart>

In addition, despite the economic importance of upward mobility, the U.S. does not compare favorably to many other countries.

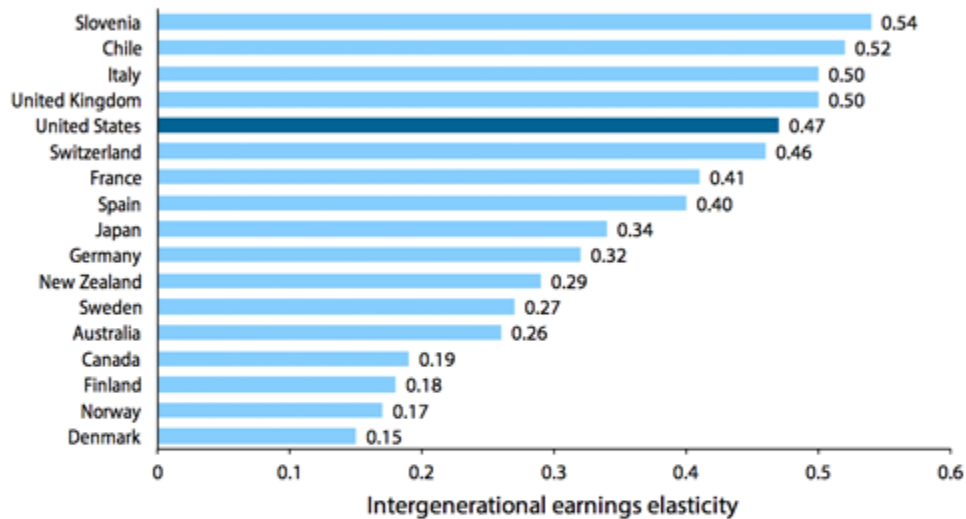
### Social Mobility Rank, 2020

World Economic Forum

Rank	Country	Index Score
1	Denmark	85.2
2	Norway	83.6
3	Finland	83.6
4	Sweden	83.5
5	Iceland	82.7
6	Netherlands	82.4
7	Switzerland	82.1
8	Belgium	80.1
9	Austria	79.8
10	Luxembourg	78.8
27	United States	70.4

*If each country increased its score by 10 index points it would result in 4.41% of cumulative GDP growth for the global economy by 2030. The United States would add 867 billion in GDP*

**Figure 3H Intergenerational correlations between the earnings of fathers and sons in OECD countries**



Note: The higher the intergenerational elasticity, the lower the extent of mobility.

Source: Adapted from Corak (2011, Figure 1)

Figure 3H in *The State of Working America, 12th Edition*

## Appendix B

### Boosting Upward Mobility: Metrics to Inform Local Action

#### Urban Institute

(<https://www.urban.org/research/publication/boosting-upward-mobility-metrics-inform-local-action>)

BACC Assessment: Brown County does not appear to excel or significantly lag on any measure gathered, with two exceptions:

1) opportunity to learn and earn indicator measures: pre-college education measures exceed expectations across all districts;

2) local governance measure: while there is no objective data available, it does not appear that the composition of local government governing bodies and key elected officials do not have a mix of racial and ethnic diversity reflective of the local population.

## **1. STRONG AND HEALTHY FAMILIES INDICATORS**

- a. Financial well-being
  - i. Income 20<sup>th</sup> 50<sup>th</sup> 80<sup>th</sup> percentile
  - ii. Financial security-share of households with debt in collections
- b. Housing
  - i. Affordable housing
  - ii. Housing instability and homelessness
- c. Family
  - i. Family structure and stability
- d. Health
  - i. Overall health
  - ii. Access to and utilization of health services
  - iii. Neonatal health

## **2. SUPPORTIVE COMMUNITIES INDICATORS**

- a. Local Governance
  - i. Political participation
  - ii. Descriptive representation among local officials
- b. Neighborhood
  - i. Economic inclusion
  - ii. Racial diversity
  - iii. Belongingness
  - iv. Social capital
  - v. Transportation access
  - vi. Environmental quality
- c. Safety
  - i. Exposure to trauma
  - ii. Exposure to crime
  - iii. Overly unitive policing

## **3. OPPORTUNITY TO LEARN AND EARN INDICATORS**

- a. Education
  - i. Access to preschool
  - ii. Effective public education
  - iii. Student poverty concentration
  - iv. College readiness
- b. Work
  - i. Employment

- ii. Access to jobs paying a living wage

## DRIVER: STRONG AND HEALTHY FAMILIES

### 1.a.i: Financial Well-Being—Income:

#### *Household Income at different percentiles*

	Brown County	Wisconsin	US
Median household income (in 2018 dollars), 2014-2018	\$59,963	\$59,209	\$60,293
Per capita income in past 12 months (in 2018 dollars), 2014-2018	\$31,213	\$32,018	\$32,621
Persons in poverty, percent	8.60	11.00	11.80

<https://www.census.gov/quickfacts/fact/table/browncountywisconsin,WI,US/PST045219>

Median household income is lower than the U.S., but the percent of people living in poverty is lower than the state or nation.

### 1.a.ii: Financial Well-Being—Financial security:

#### *Share of households with debt in collections*

Used Federal Reserve calculations of household debt to income ratios. Debt included auto finance, credit cards, mortgage and home equity line of credit, retail trades; excludes student loan debt. ([https://www.federalreserve.gov/releases/z1/dataviz/household\\_debt/county/table/](https://www.federalreserve.gov/releases/z1/dataviz/household_debt/county/table/))

#### Description:

Data shows upper and lower bounds of the ratios. Using upper bounds as an indicator (lower is better as it shows less debt to total income), 2019 Data shows:

- Wisconsin is tied with 13 other states for rank 35-48 of 50 states plus District of Columbia with a ratio of 1.24 (U.S. range is 2.13-1.09 with the #1 being highest);
- Brown County is tied for ranks 56-66 out of 69 counties with data (#1 being highest);
- Brown County is among the lowest in the state.

(<https://www.federalreserve.gov/econres/notes/feds-notes/household-debt-to-income-ratios-in-the-enhanced-financial-accounts-20180109.htm>)

### 1: b.i: Housing-- affordable housing:

#### *Ratio of affordable and available housing units to households with low- and very low income-levels*

Average gross rent as percentage of household income, past 12 months

American Community Survey (<https://data.census.gov/mdat/#/>)

- Midwest: 9.46 %

- Wisconsin: 9.69 %
- City of Green Bay: 11.52%
- Outside city of Green Bay: 8.44%

1.b.ii: Housing--Housing instability and homelessness:

*Number of public-school children who are ever homeless during the school year.*

2016-2017

- US: 2.7%
- Wisconsin: 2.1%
- Brown County: 2.7% (1214 students) \*

\*Calculated

<https://dpi.wi.gov/homeless/data>

[https://dpi.wi.gov/wisedash/download-files/type?field\\_wisedash\\_upload\\_type\\_value=Enrollment](https://dpi.wi.gov/wisedash/download-files/type?field_wisedash_upload_type_value=Enrollment)

<https://dpi.wi.gov/cst/data-collections/student/ises/published-data/excel>

[https://nces.ed.gov/programs/digest/d17/tables/dt17\\_204.75d.asp](https://nces.ed.gov/programs/digest/d17/tables/dt17_204.75d.asp)

1.c Family--Family structure and stability:

*Share of children in various family living arrangements:*

Children in single parent households<sup>1</sup>:

Brown County: 30%

Wisconsin: 32%

Top US Performers: 20%

<sup>1</sup>County Health Rankings and Roadmaps 2020, Robert Wood Johnson Foundation: <https://www.countyhealthrankings.org>

1.d.i: Health--Overall health

*Share of adults who rate their own and their children's health as good or excellent*

BRFS: General Health

General Health Status	US 2018	Wisconsin 2018	Brown County 2016
Excellent/Very Good %	50.6	51.3	48.6
Fair/Poor %	17.4	15.6	12.5

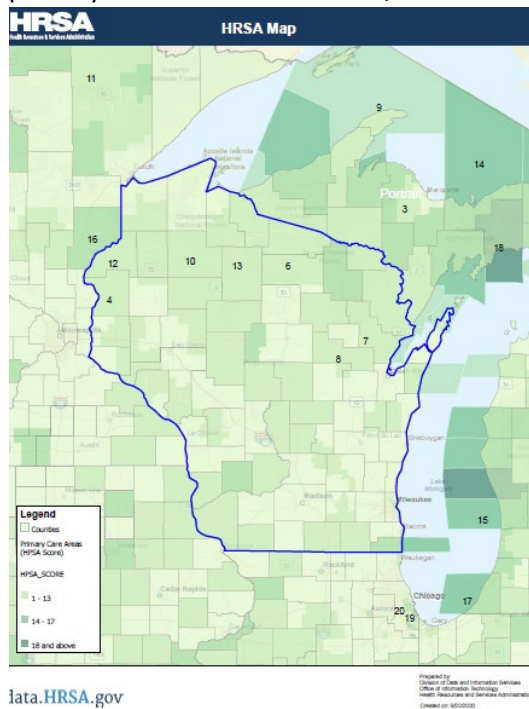
1.d.ii: **Health**—Access to and utilization of health services:

*Health Professional Shortage Area ranking for primary care providers*

Health Professional Shortage Area (HPSA) ranking for primary care providers: Brown County, Wisconsin does not have a HPSA score for primary care. HPSA scores are developed for use by the National Health Service Corps to determine priorities for the assignment of clinicians. Scores range from 1 to 25 for



primary care and mental health, 1 to 26 for dental health. The higher the score, the greater the priority.



However, other measures of access to health care, such as number of providers and uninsured rates, show Brown County lagging the state and high performing areas of the US.

Primary care population to physician ratio:

- Brown County: 1,400:1
- Wisconsin: 1,030:1
- Top US Performers 90<sup>th</sup> Percentile): 1270:1
- HPSA Primary Care Shortage Area Definition: least 3,500:1 or 3000:1 in a high need area

Uninsured adults<sup>1</sup>:

- Brown County: 8%
- Wisconsin: 7%
- Top US Performers 90<sup>th</sup> Percentile): 7%

Uninsured children<sup>1</sup>

- Brown County: 5%
- Wisconsin: 3%
- Top US Performers 90<sup>th</sup> Percentile): 4%

<sup>1</sup>County Health Rankings and Roadmaps 2020, Robert Wood Johnson Foundation:  
<https://www.countyhealthrankings.org/>

1.d.iii Health--Neonatal health:

*Share of low weigh births*

## Normal birthweight babies

Pub Date/Data Year	Brown County	Wisconsin
2017—2015 data	92.6%	92.7%
2016—2014 data	93.1%	92.6%
2015—2013 data	93.9%	92.9%
2014—2012 data	93.7%	92.8%
2013—2011 data	92.8%	92.8%

Rates are comparable to Wisconsin and don't seem to show a trend.

Source: Wisconsin DHS County Health Profiles,  
<https://www.dhs.wisconsin.gov/search?search=county+health+profiles>

By State:

Wisconsin	93%
Illinois	92%
Minnesota	93%
Michigan	92%
Iowa	93%
US	92%

Source: County Health Rankings and Roadmaps 2020, Robert Wood Johnson Foundation,  
<https://www.countyhealthrankings.org/>

## 2. DRIVER: SUPPORTIVE COMMUNITIES

2.a.i Local Governance-- political participation:

*Share of the voting-eligible population who turn out to vote*

Voter turnout

Election	Ballots cast <sup>1</sup>	Registered Voters <sup>2</sup>	Percent voter turnout	Wisconsin <sup>3</sup>	US
2020 November General 11/3/2020	114,441	162,076	89.1	75.8	66.3
2020 Spring General 4/7/2020	59,480	147,971	40.1	34	
2019 Spring General 4/2/2019	51,729	148,227	34.9	27	
2018 November General	116,193	141,443	82.1	61.4	50

11/6/2018					
2018 Spring General 4/3/2018	40,104	130,713	30.7	22	
2017 Spring General 4/4/2017	33,640	157,401	21.4	16	
2016 November General 11/8/2016	129,998	150,152	86.6	67.3	60.1
2016 Spring General 4/5/2016	90,882	147,366 <sup>3</sup>	61.7	47	

<sup>1</sup>Brown County Clerk election results

<sup>2</sup>Wisconsin Election Commission Voter Registration Statistics

Voter registration data

<https://www.browncountywi.gov/departments/county-clerk/elections/election-results/>

<https://elections.wi.gov/elections-voting/statistics?q=elections-voting/statistics&page=2>

“In The End, The Voters Responded”: Surprising Takeaways From Wisconsin's Election,” NPR, April 15, 2020 (<https://www.npr.org/2020/04/15/834037566/in-the-end-the-voters-responded-surprising-takeaways-from-wisconsin-s-election>)

## 2.a.ii: Local Governance—Descriptive Representation Among Local Officials

*Ratio of the share of local elected officials of a racial or ethnic group to the share of residents of the same racial or ethnic group*

Data on racial and ethnic composition is not posted publicly. Lacking reported data, it appears that there are no African American members of the Brown County Board of Supervisors, City of Green Bay Common Council, or City of De Pere Common Council. Other ethnicities are not apparent, but it can't be definitively ruled out because data is not publicly posted.

## 2.b.i: Neighborhoods--Economic Inclusion:

*Share of residents experiencing poverty living in high poverty neighborhoods*

## 2.b.ii: Neighborhoods—Racial diversity

*Share of a person's neighbors who are people of other races and ethnicities*

Residential segregation<sup>1</sup>

Geography	Black/White	Non-white/white
Brown County	59	40
Wisconsin	77	55
Top US Performers	23	14

<sup>1</sup>1County Health Rankings and Roadmaps 2020, Robert Wood Johnson Foundation: <https://www.countyhealthrankings.org/> Racial/ethnic residential segregation refers to the degree to which two or more groups live separately from one another in a geographic area. The index of dissimilarity is a demographic measure of the evenness with which two groups (Black and White residents, in this case) are distributed across the component geographic areas (census tracts, in this case) that make up a larger area (counties, in this case).

The residential segregation index ranges from 0 (complete integration) to 100 (complete segregation). The index score can be interpreted as the percentage of either Black or White residents that would have to move to different geographic areas in order to produce a distribution that matches that of the larger area.

## 2.b.iii: Neighborhoods—Belongingness

*Inclusions of Other in the Self Scale* Source: Wello Community Health and Well-Being Survey 2019

### Do you see yourself as a member of the Greater Green Bay community?



In addition, a further series of questions on sense of belonging and length of residence were added to assess feelings of inclusion with the questions: “do you see yourself as a member of the Greater Green Bay community” and “how long have you lived in Greater Green Bay (Brown County, WI)?”

Data indicate 88.5% of respondents “agree” or “strongly agree” that they see themselves as a member of the community. When comparing sense of belonging to length of residence, data showed no correlation between how long someone lived in the community with their sense of belonging. Seeing oneself as a member of the community was positively correlated with the overall quality of life rating.

**Below is the breakdown for length of residence for respondents.**



## 2.b.iv: **Neighborhoods**—Social Capital

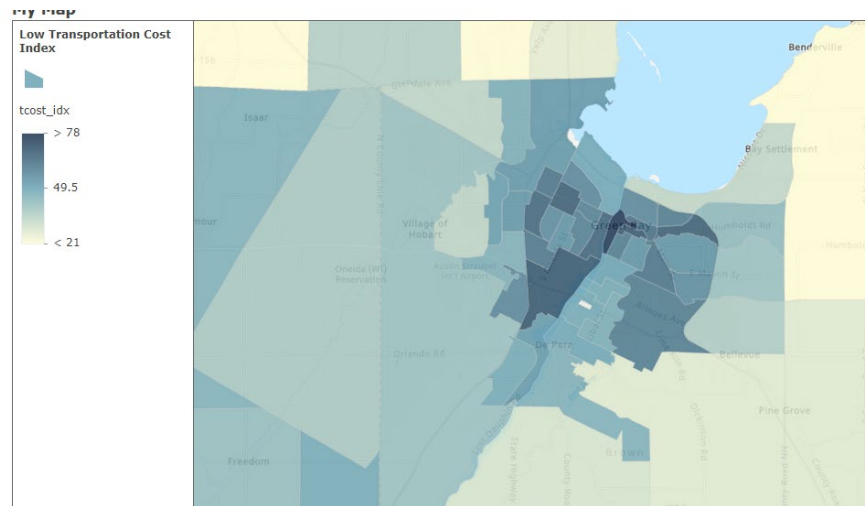
*Selected questions from the Social Capital Community Benchmark Survey*

Data not available.

## 2.b.v: **Neighborhoods**—Transportation access

*Transit trips index and low transportation cost index*

Low Transportation Cost Index, US Department of Housing and Urban Development



Share of Census Tracts within National Percentile Ranks	Brown County	Wisconsin
75 <sup>th</sup> or above	2%	12%
50 <sup>th</sup> -74 <sup>th</sup>	52%	33%
25 <sup>th</sup> to 49 <sup>th</sup>	39%	32%
Below 25 <sup>th</sup>	7%	23%

The Low Transportation Cost Index is based on estimates of transportation expenses for a family that meets the following description: a 3-person single-parent family with income at 50% of the median income for renters for the region (i.e., CBSA). The estimates come from the Location Affordability Index (LAI). The data correspond to those for household type 6 (hh\_type6\_) as noted in the LAI data dictionary. More specifically, among this household type, we model transportation costs as a percent of income for renters (t\_rent). Neighborhoods are defined as census tracts.

Values are inverted and percentile ranked nationally, with values ranging from 0 to 100. The higher the transportation cost index, the lower the cost of transportation in that neighborhood. Transportation costs may be low for a range of reasons, including greater access to public transportation and the density of homes, services, and jobs in the neighborhood and surrounding community.

US Department of Housing and Urban Development [https://hudgis-hud.opendata.arcgis.com/datasets/low-transportation-cost-index?orderBy=pov\\_idx&page=6&selectedAttribute=tcost\\_idx&where=STATE\\_NAME%20%3D%20%27Wisconsin%27%20AND%20COUNTY\\_NAME%20%3D%20%27Brown%27](https://hudgis-hud.opendata.arcgis.com/datasets/low-transportation-cost-index?orderBy=pov_idx&page=6&selectedAttribute=tcost_idx&where=STATE_NAME%20%3D%20%27Wisconsin%27%20AND%20COUNTY_NAME%20%3D%20%27Brown%27)

## 2.b.vi: Neighborhoods—Environmental Quality

### *Air quality index*

Average exposure to particulate matter 2.5 microns/cubic meter, 3-year estimate, 2019

AREA	RANK	VALUE
NEW HAMPSHIRE	1	4.4
WISCONSIN	15	6.8
CALIFORNIA	50	12.8
US		8.4

Source: <https://www.americashealthrankings.org/explore/annual/measure/air/state/ALL>

Average daily density of fine particulate matter in micrograms/cubic meter

### 2020 County Health Rankings

Brown County	9.1
Wisconsin	8.6
Illinois	11.5
Minnesota	6.9
Michigan	8.4
Iowa	9.0
US	8.6

Source: County Health Rankings and Roadmaps 2020, Robert Wood Johnson Foundation, <https://www.countyhealthrankings.org/>

## 2.c.i Safety--Exposure to trauma

### *Adverse Childhood Experiences Scale*

## 2.c.ii Safety—Exposure to crime

### *Rates of reported violent crime and property crime*

Number of Violent Crime Offenses Per 100,000

Brown County	250
Wisconsin	298
Illinois	403
Minnesota	236
Michigan	443
Iowa	282
US	386

Source: County Health Rankings and Roadmaps 2020, Robert Wood Johnson Foundation, <https://www.countyhealthrankings.org/>

Number of property crime offenses per 100,000

2.c.iii Safety—Overly punitive policing

*Rate of juvenile justice arrests*

BACC Comment—This does not appear to be a good measure and was not gathered.

## DRIVER: OPPORTUNITY TO LEARN AND EARN

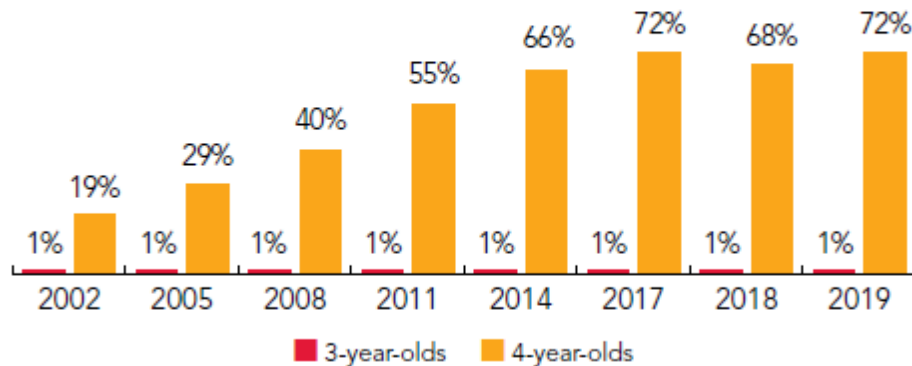
### 3. OPPORTUNITY TO LEARN AND EARN INDICATORS

3.a.i Education—Access to preschool

*Share of children enrolled in nursery school or preschool*

According to the National Institute for Early Education Research’s report *The State of Preschool 2019*, Wisconsin ranks 5<sup>th</sup> in the nation for access to early education. The report goes on to say, “Since becoming a state in 1848, Wisconsin’s Constitution has included a promise to provide free, voluntary education for 4-year-olds. School districts are not required to offer the Four-Year-Old Kindergarten program (4K), but if they do, it must be open to all age eligible children. During the 2018-2019 school year, 405 of 411 school districts offered the program (99%).”

#### PERCENT OF STATE POPULATION ENROLLED





### 3.a.ii Education—Effective public education

*Average per-grade change in English language arts achievement, between third and eighth grades*

#### **District Report Card Results 2018-2019**

Wisconsin Department of Public Instruction

<b>District</b>	<b>Overall Performance Score</b>	<b>Student Achievement—English and Math</b>	<b>On Track and Postsecondary Readiness*</b>	<b>Economically Disadvantaged Students</b>
Ashwaubenon	77--Exceeds Expectations	69/100	88.4/100	34.9%
De Pere	82—Exceeds Expectation	84/100	92.5/100	20.3%
Denmark	76.4—Exceeds Expectations	71.8/100	92.3/100	20.7%
Green Bay Area Public	66.9—Meets Expectation	47.6/100	80/100	59.4%
Howard-Suamico	73.8—Exceeds Expectation	72.3/100	88.4/100	19.4%
Pulaski Community	78.4—Exceeds Expectations	69.7/100	90.2/100	20.0%
West De Pere	75.8—Exceeds Expectations	72.4/100	91.3/100	22.1%
Wrightstown	79.9—Exceeds Expectations	84.6/100	92.1/100	23.3%
State of WI		62.3/100	84.8/100	

\*Combination of graduation and attendance rate with English and mathematics achievement

Source: Wi Department of Public Instruction, <https://dpi.wi.gov/accountability/report-cards>

Categories for overall scores are: significantly exceeds, exceeds, meets, meets few, fails to meet.

### 3.a.iii Education-- Student poverty concentration

*Share of students attending high-poverty schools, by student race or ethnicity*

Alternative 1: See above chart for percent of disadvantaged students by each Brown County school district.

Alternative 2: Percent and number of students approved for free and reduced lunch by each district

District Name	Total Number of Students Approved for Free and Reduced	% Free and Reduced
Ashwaubenon School District	1226	37.80%
Denmark School District	373	23.25%
De Pere Unified Schools	789	18.43%
Green Bay School District	13979	69.35%
Howard-Suamico School District	1070	18.68%
Pulaski Community School District	859	24.17%
West De Pere School District	802	23.59%
Wrightstown Community School District	323	23.34%
Unweighted Average of all Districts		43.3%

Source: Wisconsin Department of Public Instruction school nutrition program statistics 2019, <https://dpi.wi.gov/school-nutrition/program-statistics>.

\*Total of percent approved for all districts divided by number of districts. Not weighted for number of students per district.

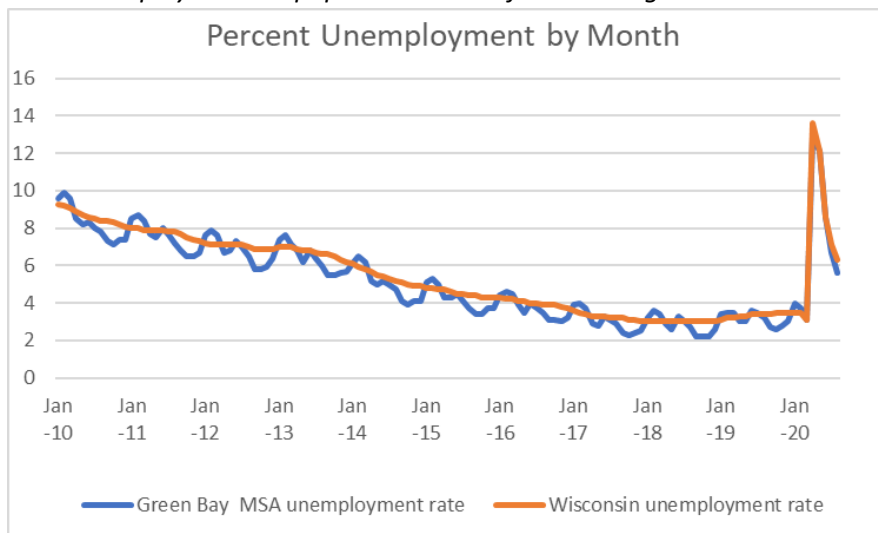
### 3.a.iv Education-- College readiness

#### *Share of 19- and 20-year-olds with a high school degree*

See above measure of on-track and post-secondary readiness by the Department of Public Instruction. This measure takes into account graduation rate, attendance rate, 3<sup>rd</sup> grade English language arts achievement, and 8<sup>th</sup> grade mathematics achievement.

### 3.b.i Work—Employment

#### *Employment-to-population ration for adults ages 25-54*



Source: Bureau of Labor Statistics: <https://www.bls.gov/lau/>

### 3.b.ii Work—Access to Jobs Paying a Living Wage

*Ratio of pay on the average job to the cost of living*

Wisconsin is 25<sup>th</sup> in the country when the difference between median income and purchasing power are compared and ranked.

Difference Between Median Household Incomes and Purchasing Power							
States & DC	2018 Median Income	Purchasing Power	Difference	States & DC	2018 Median Income	Purchasing Power	Difference
Mississippi	42,781	49,700	16.2%	Utah	63,179	64,200	1.6%
Arkansas	49,781	57,300	15.1%	North Dakota	66,505	67,300	1.2%
Oklahoma	54,434	62,600	15.0%	South Dakota	59,463	59,600	0.2%
Missouri	61,726	70,900	14.9%	Virginia	70,066	69,600	-0.7%
New Mexico	48,283	55,200	14.3%	Minnesota	71,817	70,700	-1.6%
Tennessee	56,060	63,200	12.7%	Pennsylvania	64,524	63,400	-1.7%
Michigan	60,449	68,000	12.5%	Colorado	73,034	69,200	-5.2%
Kansas	63,938	71,800	12.3%	Montana	57,679	54,000	-6.4%
Georgia	55,821	62,600	12.1%	Delaware	85,750	79,300	-7.5%
Alabama	49,936	55,900	11.9%	Nevada	61,864	57,000	-7.9%
Wyoming	62,629	70,100	11.9%	New Hampshire	81,346	74,200	-8.8%
Iowa	68,718	76,300	11.0%	Washington	77,151	69,700	-9.7%
Indiana	59,892	66,500	11.0%	Vermont	77,067	67,300	-12.7%
Ohio	61,633	67,900	10.2%	Maine	58,663	49,900	-14.9%
Nebraska	67,575	74,400	10.1%	Rhode Island	62,266	52,100	-16.3%
Kentucky	54,555	60,000	10.0%	New Jersey	74,176	59,300	-20.1%
West Virginia	79,726	87,500	9.8%	Connecticut	72,812	57,000	-21.7%
Texas	59,785	65,300	9.2%	Maryland	86,223	66,500	-22.9%
Idaho	58,728	63,600	8.3%	Alaska	68,734	52,900	-23.0%
Louisiana	49,973	53,200	6.5%	Massachusetts	86,345	65,600	-24.0%
Illinois	70,145	74,200	5.8%	Oregon	69,165	51,500	-25.5%
North Carolina	53,369	56,200	5.3%	New York	67,274	48,400	-28.1%
South Carolina	57,444	59,900	4.3%	California	70,489	46,500	-34.0%
Arizona	62,283	64,200	3.1%	District of Columbia	65,012	41,000	-36.9%
Wisconsin	50,573	52,000	2.8%	Hawaii	80,108	41,500	-48.2%
Florida	54,644	55,800	2.1%				

Sources: U.S. Census Bureau Current Population Survey & The Council for Community and Economic Research

Note: Purchasing power uses the most recent C2ER cost of living index by state rounded to the nearest \$100

Source: <https://www.advisorperspectives.com/dshort/updates/2019/12/19/median-household-purchasing-power-for-the-50-states-and-dc> December 2019

## Appendix C

### International Social Mobility

**Assertion: The United States is the most powerful country in the world. We do not need to change our policies.**

Twenty years ago, the U.S. made up 46.9% of world capitalization. By 2020 the U.S. share of world capitalization had increased to 54.6%. The United States is first in world nominal GDP at 40.7%; China stands at 34.27%. Since 2014, China has ranked first in PPP (purchasing power parity) GDP.

During the past twenty years, income disparity between middle-income and higher-income households has grown. From 1998 to 2007 the richest 5% of U.S. families gained 88% of net worth, while those in the second quintile increased their net worth by 16% (PEW Research)

### Social and Economic Mobility

**Assertion: The American Dream is a unique opportunity afforded Americans. Anyone who exerts the effort can succeed.**

The Social Mobility Index, measured by the World Economic Forum, ranks countries on the probability of upward mobility. The factors measured include work opportunities, education, access to technology, healthcare and social protections. The United States ranks twenty-seventh in the world. Seventeen of the top 20 most socially mobile countries are in Europe.

In the United States it takes a low-income family five generations to reach mean income. The U.S. is outpaced by Denmark, Norway, Finland, Sweden, Iceland, Switzerland and Austria.

**Assertion: In the United States we cannot implement the social and economic policies seen in other industrialized nations because we are so diverse.**

Denmark, Norway and Switzerland, which rank first, second and seventh, respectively, on the Social Mobility Index, all have ethnic diversity. Denmark is 13.6% “other,” Norway 20% “other,” and Switzerland 31.5% “other.” The United States population is 36.7% “other.”

### Education

**Assertion: Private schools are better than public schools. US schools will improve if they compete with for-profit or charter schools.**

**Assertion: The United States is the most educated country based on the percent of persons age 25-64 who have completed a two-year or four-year degree or a vocational program.**

Canada has been ranked the most educated country in the world. The U.S. ranks sixth, preceded by Japan, Israel, Korea, and the United Kingdom. In Canada 5.6% of students attend private school versus 14.3% in the United States.

**Assertion: The U.S. taxpayer spends too much on education.**

The ten countries with the highest Social Mobility Index have national education policies. National education funding costs range from 5.6% to 8% of GDP. Denmark allocates 7.6% of the national budget for higher education. Norway devotes 8% of its GDP to public education. In the U.S., education policies are the responsibility of state and local governments. The United States assigns 5% of its GDP for education. Funding for public school varies widely among states. At the highest end, New York spends \$22,366 per student; Utah, at the lowest end, spends \$6,953. Wisconsin spends \$11,456 per student. The national average is \$11,762 per student.

## Technology Access

**Assertion: The United States has the most advanced technology with the creation of such companies as Microsoft, Amazon, Apple, Google and numerous others.**

Although the United States has created new technologies for the world, of the 193 countries reporting to the International Digital Economy and Society Index, Denmark is at the top of the digital list. In Denmark, a single digital key works across all the public and private sectors, providing access to more than a hundred public services such as signing up children for kindergarten to private banking.

In 2012 the U.S. initiated a national digital strategy, but implementation has stalled. Currently the U.S. has no broadband policy. Conversely, Sweden has a policy to provide 95% of households with broadband. Numerous other countries, including Switzerland, Finland, Spain, United Kingdom, Canada, Belgium, Sweden, Taiwan and Japan, offer universal broadband.

The state of Wisconsin has implemented legislation preventing public access to municipal broadband.

Nearly 40 million U.S. households lack access to broadband. Generally, \$60 per month is considered a reasonable rate for broadband access, but costs are much higher in largely rural areas. Only 3% of Colorado residents get broadband for less than \$60 per month. In Maine, fewer than 5% have such affordable access, and in Nebraska only 11% can access broadband at an affordable cost.



## Social Protections

**Assertion: Companies cannot afford to provide paid parental leave.**

The United States provides up to twelve weeks of unpaid maternity leave for newborn and adopted children, but only employers with fifty employees or more must comply. Forty percent of female employees, therefore, are not covered.

All of the top twenty countries with the highest Social Mobility Index provide paid maternity leave. Of the 41 developed countries, the U.S. is the only one that does not provide paid maternity leave.

**Assertion: Early childhood care and education should be an individual choice.**

The countries with the highest social mobility index have national child or family policies. If you factor in safety, gender equality, green living, family friendly laws and human rights the US ranks 18th as the best place to raise children. Canada ranks fourth and Denmark first.

## Health Care

**Assertion: The United States has the best health care in the world.**

Although U.S. citizens pay more for health care than all other industrialized nations, our country has not achieved the best outcomes. The United States ranks forty-sixth in the world for life expectancy and thirtieth in maternity care - below Belarus and Lithuania. Data suggests half of maternity deaths in the U.S. were likely preventable.

The United States is home to 4% of the world population and 20% of all Covid-19 deaths. In February 2020, COVID deaths per 100,000 in the U.S. were 144, in Canada, in Denmark 39, in Norway 11, in Australia 5, in Japan 5, and in New Zealand 1.

On February 4, 2021, there were 5,116 Covid-19 deaths in the United States. From December 2019 to February 4, 2021, the cumulative deaths in Japan were 6,172.

**Assertion: Canadians prefer healthcare offered in the United States because response is faster.**

Eighty-six percent of Canadians are satisfied with their healthcare. Although they have been offered privatized health care, they have soundly rejected it. Seventy-five percent of Americans are satisfied with the care they receive, although 71% recognize major problems in regard to cost.

The United States spends 16.9% of GDP on health care, nearly twice as much as the OECD average. The second highest-ranking country, Switzerland, spends 12.2%, yet life expectancy in the United States is 79.11 years, and in Switzerland 84.25 years. For Canadians it's 81.95 years.

Otto Von Bismarck created [universal health care for Germany](#) in 1883. Today every \$100 spent in Germany on healthcare extends life by about four months. In the U.S., every \$100 spent results in only a couple extra weeks of life.

## Labor

**Assertion: In the United States the decline of the influence of labor unions has aided in creating more wealth for U.S. citizens.**

Since 1980, income inequality in the U.S. has risen to the highest level among G7 membership.

Median wealth in many countries has exceeded the United States: Norway, Iceland, Switzerland, Belgium, Austria and Luxembourg. Median wealth in the U.S. is \$65,111. At the low end of the range, Norway's median wealth is \$70,627, and, at the high end, Switzerland's median is \$227,891.

Median income in the United States is \$43,585. This is exceeded by Norway, Denmark, Sweden, and Luxembourg. At the low end, median income in Denmark is \$44,360; Norway, at the high end of the scale, has a median income of \$51,489.

## Data

**Everyone in America loves a rags-to-riches story, but how do we rank internationally?**

Seventeen of the top twenty most socially mobile countries are in Europe. (Feb 2020, World Economic Forum) Factors measured include healthcare, education, tech access, work opportunities and social protection. The United States ranks twenty-seventh.



Social Mobility Rank, 2020  
World Economic Forum

Rank	Country	Index Score
1	Denmark	85.2
2	Norway	83.6
3	Finland	83.6
4	Sweden	83.5
5	Iceland	82.7
6	Netherlands	82.4
7	Switzerland	82.1
8	Belgium	80.1
9	Austria	79.8
10	Luxembourg	78.8
27	United States	70.4

*If each country increased its score by 10 index points, the result would be 4.41% cumulative GDP growth for the global economy by 2030. The United States would add \$867 billion in GDP.*

Number of generations it takes to reach mean income  
World Economic Forum

Generations	Country
2	Denmark
3	Norway
3	Finland
3	Sweden
4	Iceland
NA	Netherlands
4	Switzerland
NA	Belgium
4	Austria
NA	Luxembourg
5	United States



Of the ten European countries that rank in the top ten on the social mobility index, we chose three for a deeper dive in comparison to the United States. The selection of Denmark, Norway and Switzerland was based on their ranking as first in a number of the measurement data reviewed in this report. The data review includes wealth per adult, GDP per capita, life expectancy, health care cost, effective marginal tax rate, index of economic freedom, labor, and more.

Drilling down, [a wealth of available data](#) further defines the areas impacting upward mobility. This gives us a look at the most accomplished models for adaptability to our culture. With American ingenuity we have the opportunity to excel in each of these identified categories if we have the will.

## Ethnicity



**Denmark** - 86.9% are of Danish descent. Ethnic minorities include Germans, Turks, Inuit, Poles, Iraqis, Swedes, Norwegians, Bosnians, Iranians, and Somalis.

**Norway** - 80% are ethnic Norwegian. The remainder include SAMI people, Swedes, Poles, Lithuanians, Somalis, Turks, Iraqis, Russians, Vietnamese, and Bosnians.

**Switzerland** - 69.5% are Swiss. The remainder are comprised of German 4.2%, Italian 3.2%, Portuguese 2.6%, French 2%, Kosovar 1.1%, and 17.3% "Other."

**United States** - 63.3% are Caucasian, 16.2% Hispanic, 12.6% Black, 4.9% Asian, 2.1% Mixed and 1% "Other."

## Education



### Percentage of [GDP spent on education](#)

Country	Percent 2017
Denmark	7.82%
Norway	7.91%
Switzerland	5.13%
United States	6.2%

#### Denmark

Education comprises both public and private schools. About 15% of students attend private school. The public system, from primary to higher education, is free. Danish schools use a seven-point grading system. The school year must include 200 days. School levels: Kindergarten Age 1-5, Pre School age 6, Primary age 7-15, Tenth grade age 16, Upper secondary age 16-19, Higher education age 19+.

## Norway

The education system is one of the best in Europe. All public education is free. The school year runs from August to mid-June. The upper secondary students can follow a general-studies or a vocational-studies path. **Information Technology is a compulsory subject.** Private schools were essentially illegal until 2005. Today Norway has several international schools with a completely English curriculum as well as other specialized schools. The Norway labor force is one of the most educated in the world as measured by the share of the labor force that has completed secondary or tertiary education. School levels: Elementary age 6-13, Lower secondary age 13-16, Upper secondary age 16-19.

## Switzerland

Compulsory education in Switzerland is 9-11 years determined by the cantons (state legislatures). Only 5% of Swiss nationals choose private education due to the high quality of the public system. Home schooling is not common, and some cantons outlaw it. The system is decentralized, and standards are set by each canton. Most schools implement placement exams. Following primary school, students are separated according to academic abilities and interests. Schools follow two twelve-week semester systems with grading on a six-point scale. Public schools are free. The cost of higher education varies by institution. A full-time bachelor course ranges from \$6,500 to \$26,000. School levels: Kindergarten age 4-6, Primary age 6-12, Lower secondary age 12-15, Upper secondary age 15-18.

## United States

Education is primarily the responsibility of the state and local government. In most states compulsory education is from age 5 or 6 to 16; some states extend the age to 18. Public Schools are free, and private schools charge a tuition. About 25% of the schools are private, attended by 10% of PK-12-grade students. About 3.4% of students are home-schooled. Course completion is graded using percentages converted to letter grades. For higher education the same, Grade Point Average in two different schools may be interpreted differently because schools might have widely varying standards. School levels: Pre-Kindergarten age 4-5, Kindergarten Age 5-6, Elementary age 6-12, Middle School age 12-14, High School age 14-18.



## Education [spending by State 2016](#)

### Highest Five per student

State	Amount		State	Amount
New York	\$22,366		Utah	\$6,953
District of Columbia	\$19,159		Idaho	\$7,157
Connecticut	\$18,958		Arizona	\$7,613
New Jersey	\$18,402		Oklahoma	\$8,097
Vermont	\$17,873		Mississippi	\$8,702

### Lowest Five per student

**Note:** The national average for education spending is \$11,762, and Wisconsin spends \$11,456, on average, per student.

## Most Educated Countries in the World

*Source: U.S. Global Investors*

OECD defines a country's education level as the percentage of persons age 25-64 who have completed some kind of tertiary education as either a two-year or four-year degree or a vocational program.

Rank	Country	Percent
1	Canada	56.27%
2	Japan	50.50%
3	Israel	49.90%
4	Korea	46.86%
5	United Kingdom	45.96%
6	United States	45.67%
7	Australia	43.74%
8	Finland	43.60%
9	Norway	43.02%
10	Luxembourg	42.86%



## Social Protection

### Early Childhood Education and Care

#### Denmark

*Source: Organization for Economic Cooperation and Development (OECD)*

Issues related to child and family policy are handled by the Ministry of Social Affairs. The Ministry builds a central framework for providing the possible foundation for children and families. Local authorities are responsible for providing daycare. Local authorities have established the following kinds of centers: Creches - children 6 months to 2 years; Kindergarten - children age 3-5; Age-Integrated Centers - children age 6 months to 6 years; and After-School Centers. Local authorities pay the majority of costs for public and independent day care; parents co-pay about 30% of the costs.

#### Norway

*Source, OECD*

Among OECD countries, Norway spends one of the highest shares of its public income for early childhood education and care. Most parents enroll their children in kindergarten between ages one and five, and a cash-for-care benefit goes to parents who do not use the system for their one-year olds. Municipalities oversee all public and private kindergartens in their districts. By 2014 private kindergartens were receiving 98% as much funding as public kindergartens.

#### Switzerland

*Source, [Eurydice](#)*

Most children attend pre-school for two years, usually starting between ages four and five, although parents may request an earlier start. Attendance for pre-school is free of charge. Pre-school is part of compulsory education. Childcare for children younger than four years is under the authority of Cantonal Ministries of Social Affairs. Parents pay 80% of those costs.

#### United States

*Source, OECD*

The United States has no national child and/or family policy. A wide range of part day, full day, school day and full workday programs exist, and some care centers provide care for infants. States regulate family care through licensing or regulation which requires or encourages providers to self-identify and certify they comply with state requirements.



## Parental Leave



[Denmark](#) - Maternity: In total, parents in **Denmark** get 52 weeks of paid **parental leave**. The general rule is that the mother has the right to four weeks of **leave** directly before the planned birth and then to a further 14 weeks of **leave** after birth. Then 32 weeks follow where the mother and father can freely share **leave** between them.

[Norway](#) - Maternity: Mothers have twelve months of paid leave in connection with birth and following birth. Forty-nine weeks are paid at full salary, or they can choose fifty-nine weeks at 80% pay. Mothers and fathers are required to take at least 14 weeks of leave following birth. Paternity leave allows fathers to be active, not just secondary, caregivers.

[Switzerland](#) - Maternity: Following birth, full and part-time employees receive fourteen weeks of paid leave at 80% of wages in the form of a daily allowance. Paternity leave allows fathers to take ten days either individually or consecutively within the first six months of birth at 80% of daily base salary.

[United States](#) - Under the Family and Medical Leave Act of 1993, maternity leave is protected for up to twelve weeks of unpaid leave. This applies to mothers of newborns or newly adopted children, but is required only if the employer has fifty or more employees. Therefore, sixty percent of workers are eligible for the benefit.

## Technology Access



### Denmark

Source, [Denmark.dk](https://denmark.dk)

Denmark has one of the world's highest rates of public sector digitization. A single digital key works across all the public and private sectors. "Trust in other people has led to the success of the system." Of the 193 countries reporting to the International Digital Economy and Society Index, Denmark is at the top of the digital list.

### Norway

Source, *Norwegian Ministry of Local Government and Modernization*

IT is a compulsory subject in upper secondary education. The government has set five key priorities:

1. A user-centric focus whereby users view public services as seamless and integrated.
2. IT as a significant input factor for innovation and productivity
3. Stronger digital competence and inclusion
4. Effective digitization of the public sector
5. Sound data protection and information security

## Switzerland

*Source, Digital Switzerland Strategy*

Sweden is focused on teaching ICT (information and communications technology) skills through the education system to ensure Swiss citizens can use ICT to participate in political, economic, and cultural processes. Cantons will co-ordinate strategies to safeguard and improve quality in the integration of ICT into the education system.

Switzerland's Action Areas and Goals:

1. Digital Economy
2. Data and digital content
3. Infrastructure and environment
4. E-government and e-health
5. Development of the knowledge-based society
6. Security and trust
7. Switzerland's international position

## United States

*Source, US General Services Administration*

In May 2012, President Obama announced a digital strategy initiative with these three **strategic objectives**:

1. Ensure the American people and a mobile work force have access to high-quality government services anytime, anywhere on any device.
2. Ensure the government takes the opportunity to procure and manage devices, applications and data in smart, secure and affordable ways.
3. Unlock the power of government data to spur innovation across the nation and improve the quality of services for the American people.

**Strategic Principles:**

1. Information-centric approach
2. Shared platform
3. Customer-centric
4. Security and privacy



## Healthcare



Life expectancy (both sexes)  
*United Nations Population Division*

Rank	Country	Years
32	Denmark	81.40
17	Norway	82.94
24	Finland	82.48
13	Sweden	83.33
10	Iceland	83.52
21	Netherlands	82.78
1	Switzerland	84.25
25	Belgium	82.17
26	Austria	82.05
20	Luxembourg	82.79
46	United States	79.11

## Health Cost Percent of GDP and Cost Per Capita

2017 World Bank Data

Country	Percent	Cost
Denmark	10.11%	\$5,800
Norway	10.45%	\$7,936
Finland	9.21%	\$4,205
Sweden	11.02%	\$5,904
Iceland	8.33%	\$6,086
Netherlands	10.10%	\$4,911
Switzerland	12.35%	\$9,956
Belgium	10.34%	\$4,507
Austria	10.40%	\$4,940
Luxembourg	5.48%	\$5,782
United States	17.06%	\$10,246

### Denmark

*Source: Internations*

Denmark has a tax funded, state-run universal care system based on the principle of free and equal access for all citizens. The country's online system stores all patient data, which can be accessed by multiple medical professionals, doctors, nurses, and pharmacists. Using a home monitoring system (telehealth), patients can video-call doctors from their homes and measure their own vital signs. Hospitals and practitioners are managed at a regional level, but nursing homes, home care and school health services are the responsibility of municipalities. Once a person registers in the country and a CPR number is assigned, that person has immediate access to free healthcare. A referral from a general practitioner is needed to see a specialist.

### [Norway](#)

Healthcare is financed by taxation, income-related employee and employer contributions, and out-of-pocket expenses. Persons who have reached the annual limit of expenditure - currently just over 2000Kr, (\$224 US dollars) - receive an exemption card that entitles them to free treatment for the remainder of the year. The system is founded on the principle of universal access, decentralization, and free choice of providers. Health care *policy* is controlled centrally, but responsibility for the *provision* of health care is decentralized. Most hospitals are public, funded by and owned by the state. Most private hospitals are funded by the public (taxpayers) but they are few in number. All citizens can choose their practitioners; outpatient doctors are the gatekeepers of specialized care.

## Switzerland

Healthcare is universal and regulated by the Swiss Federal Law on Health Insurance. Private health insurance is compulsory for anyone residing in Switzerland within three months of being born in the country. Even retirees must pay for their own insurance. No one is denied for pre-existing conditions, and the government subsidizes mandatory health insurance for low-income individuals (including foreign expats as well as nationals). The Swiss government mandates all insurance providers offer a basic level of health coverage including general check-ups and treatments, hospital visits (inpatient, outpatient and emergency services), rehabilitation services, prescriptions costs, some mental healthcare, maternity care, dental emergencies, gynecological exams, vaccinations, certain medical aids and devices, cancer screenings, eyecare for people under age 18 and some alternative therapies. Eighty-to-ninety percent of medical costs are covered, with most treatment paid out of pocket and reimbursed later. On average, Swiss residents spend nearly 10% of their salary on healthcare

## United States

Source, [The Commonwealth Fund](#)

The U.S. healthcare system is a complex mix of public and private coverage. Most Americans have an employer-sponsored system, although the “Insurance Exchange” offers individual private coverage. The Federal government insures the poor (Medicaid) the elderly (Medicare) as well as veterans (Veterans Health Administration) and TRICARE for federal employees and Congressmen. CHIP provides care for low-income children. The United States does not have a universal health care system; as of 2018, 8.5% of the population had no coverage.



## Labor



Economic Freedom Index 2020 [ranks the world's most free economies](#). Measurement includes Rule of Law, Government Size, Regulatory Efficiency and Open Markets

Country	Index	World Rank
Denmark	78.3	8
Norway	73.4	28
Switzerland	80.9	5
United States	76.6	17

GDP per Capita, 2019  
*International Monetary Fund*

Rank	Country	GDP per capita
9	Denmark	\$57,795
3	Norway	\$77,975
14	Finland	\$48,868
12	Sweden	\$51,241
6	Iceland	\$67,037
11	Netherlands	\$52,367
2	Switzerland	\$83,716
18	Belgium	\$45,175
13	Austria	\$50,022
1	Luxembourg	\$113,196
7	United States	\$65,111

**GDP is a global measure** for gauging the prosperity of nations and is used by economists, along with GDP, to analyze the prosperity of a country based on its economic growth.

## Denmark

Source: [Mondag](#)

Denmark is a market economy with a famous labor market model. Danes use the flexicurity model concept, the idea that some mechanisms of adjustment can lead to a desired change if the labor market is hit with outside shocks. Denmark regards flexicurity as a golden triangle: flexibility in the labor market, social security, and an active labor market with rights and obligations for the unemployed. Employers can easily hire and fire to adjust to the marketplace. Yet employees have a secure safety net between jobs. Labor is regulated by individual employment contracts and by a statutory framework. Pay and working conditions are regulated through individual contracts and collective trade union agreements.

**Working hours:** Maximum weekly working hours are 37 in collective labor market agreements for full-time workers. Parties are free to agree on a variation of working hours up to 48 hours per week.

**Remuneration:** The majority of employees are encouraged to participate in voluntary pension schemes. An employee's 5% of salary contribution is matched by an employer at 10% of salary. Danish employers are required to pay the same to men and women who do equal work.

**Holidays:** Five weeks of annual leave are provided, determined on a pro-rata basis, calculated in the calendar year prior to the holiday year. Holiday pay of 12-12.5% is deducted from salary and contributed to a statutory holiday account. The employee files an application for holiday pay by a digital portal NEM ID (Easy ID access code). Employees are entitled to take up to three consecutive weeks' leave.

## Norway

The Working Environment Act requires a written contract with all full- and part-time employees for permanent and temporary work.

**Working hours:** The norm is 40 hours. The standard in all collective agreements is 37.5 hours. Flexible hours are available if they can be arranged without major inconvenience to the employer. The standard overtime supplement is no less than 40% of income.

**Holidays:** All employees are entitled to four weeks and one day of paid holiday each year. Collective agreements require five weeks; most companies, including those *not* covered by an agreement, offer five weeks of paid leave. All employees age 60 or older are entitled to five weeks.

**Sick leave:** Employees can be off work for three consecutive days without a medical certificate. Employees with medical certificates receive 100% of their pensionable income, paid for 16 days by the employer and thereafter by the National Insurance scheme.

## Switzerland

Source, [\*International Labor Federation\*](#)

The Swiss Federation of Trade Unions is the umbrella body for 16 trade unions in the areas of industry and construction and is Switzerland's largest employees' organization. A second umbrella grouping is

Travail Suisse, with 13 member organizations.

Employees may elect a works council in companies with at least 50 employees. The works council representatives have to be informed of all substantive issues necessary to fulfill their tasks, and they must be consulted on the following matters: security at work and health protection; collective dismissals; affiliation to an occupational pension fund and termination of the affiliation agreement; and transfer of undertakings.

The Swiss Employers Association is the umbrella body of about 80 regional and branch employers' organizations.

**Working hours:** On average employees work 41 hours per week. The maximum allowed by law is from 45-50 hours. Both sexes must be equally compensated for equal work through the Gender Equity Act.

**Remuneration:** Switzerland sets no federal minimum wage, although mandatory collective bargain agreements provide for minimum wage in some industries. If a worker cannot perform his or her work through illness, accident, holding public office or the fulfillment of a legal obligation for not less than three weeks, the employer is obliged to continue to pay the workers' wages for a set period of time which can be extended by contract. Nationals from EU and EFTA have the same rights and benefits as Swiss Nationals.

**Holidays:** Swiss workers are guaranteed at least four weeks of holiday pay per year and at least five weeks for workers below age 20.

**Sick Leave:** In the first year, employers pay between one to three weeks sick pay depending on the canton and the scale applied. Thereafter the amount depends on the length of service, canton and other factors.



## United States

**Working hours:** The Fair Labor Standards Act determines standards for wages and overtime pay. Employers pay non-exempt employees at least the federal minimum wage as well as overtime at 1.5 times the regular pay rate.

**Holidays:** Law does not mandate vacation time, but many employers typically pay ten workdays. The Family and Medical Leave Act requires employers of fifty or more employees to give up to twelve weeks of job-protected unpaid leave for birth or adoption of a child or serious illness of an employee or spouse.

Percentage of union membership 2018

Country	Percentage
Denmark	66.5%
Norway	49.2%
Switzerland	14.9%
United States	10.1%



## Wealth

**Median wealth** refers to the half above the center and the half below the center. It divides wealth into two equal parts, one-half above the mark and one-half below it. **Mean wealth** divides the total wealth by the number of adults in the sample. When wealth is concentrated among a small percentage of people, the mean is much higher than the median.



### Median Wealth per adult

### Mean Wealth

*Source: Suisse Global Wealth Report 2019*

Rank	Country	Amount		Rank	Amount
23	Denmark	\$58,784		10	\$284,022
19	Norway	\$70,627		16	\$267,348
25	Finland	\$55,532		25	\$183,124
29	Sweden	\$41,582		17	\$265,260
4	Iceland	\$165,961		5	\$380,868
34	Netherlands	\$31,057		12	\$279,077
1	Switzerland	\$227,891		1	\$564,653
6	Belgium	\$117,093		18	\$246,135
15	Austria	\$94,070		14	\$249,919
5	Luxembourg	\$139,789		6	\$358,003
22	United States	\$65,111		3	\$432,365



## Taxes



**Marginal Tax Rate** is the highest tax bracket applied to your income in a progressive tax system (last dollars earned). **Median Household Income** divides income into two equal parts: one-half above the mark and one-half below. All countries listed above, like the U.S., have a progressive tax rate. (<https://worldpopulationreview.com/country-rankings/median-income-by-country>)

### Effective Marginal Tax Rate

*Tax Foundation 2019*

### Tax base for maximum income tax rate

*KPMG Aug 2020*

### Median household income

*World Population Review*

Country	Rate		Income in US Dollars		Income in US Dollars
Denmark	66%		\$91,580		\$44,360
Norway	62%		\$107,457		\$51,489
Finland	71%		\$90,079		\$24,615
Sweden	76%		\$79,041		\$50,514
Iceland	59%		\$81,421		NA
Netherlands	59%		\$80,985		\$38,584
Switzerland	46%		\$979,587		\$37,466
Belgium	73%		\$48,539		\$26,206
Austria	65%		\$85,539		\$34,911
Luxembourg	59%		\$236,434		\$52,493
United States	47%		\$518,401		\$43,585

The average American family spends 8% of household income for healthcare and 10% for childcare. Families in the lower-to-middle-income range, earning \$69,000 at the mid-point, spend 23% of income for higher education. Although Americans pay less income tax, that advantage is offset by the costs of education and health care, which are covered by taxes in the other industrialized countries.

## Gross Domestic Product (GDP) vs Purchasing Power Parity (PPP)

**GDP (Gross Domestic Product)** is the total market value of all final goods and services produced in a country in a given period - and it is calculated in that country's own currency. The resulting figure is **Nominal GDP** expressed in dollars. **GDP per capita** is a country's economic output divided by its population. It's a good representation of a country's standard of living; it also describes how much citizens benefit from their country's economy.

**Purchasing power parity** compares the economic output of *different* countries. To make a **PPP adjustment** for comparing **GDP**, we build a basket of comparable goods and services and look at the prices of that basket in different countries. **Purchasing Power Parity** is the exchange rate needed for - say - \$100 to buy the same quantity of products in each country. Think of it as an equivalence.

**PPP** (Purchasing Power Parity) is arguably more useful when seeking differences in living standards between nations. The conversion is done using the PPP exchange rate.

## [Rank Country GDP](#) (purchasing power parity) in Billions of Dollars

- 1 [China](#) 25,360
- 2 [United States](#) 19,490
- 3 [India](#) 9,474
- 4 [Japan](#) 5,443
- 5 [Germany](#) 4,199
- 6 [Russia](#) 4,016
- 7 [Indonesia](#) 3,250
- 8 [Brazil](#) 3,248
- 9 [United Kingdom](#) 2,925
- 10 [France](#) 2,856

How do [foreign investments](#) help a country?

A foreign direct investment (FDI) is an investment made by a firm or individual in one country into business interests located in another country.

One key benefit of **foreign direct investment** includes economic growth.

**Countries** receiving **foreign direct investment** often experience higher economic growth by opening the country to new markets, as seen in many emerging economies through job creation and employment.

Now, let's look at the [top 15 countries and jurisdictions](#) receiving Foreign Direct Investment (FDI) inflows:

*Jeff Desjardins, January 23, 2019*

Rank	Jurisdiction	FDI Inflows
#1	United States	\$275.4 billion
#2	China	\$136.3 billion
#3	Hong Kong (SAR)	\$104.3 billion
#4	Brazil	\$62.7 billion
#5	Singapore	\$62.0 billion
#6	Netherlands	\$58.0 billion
#7	France	\$49.8 billion
#8	Australia	\$46.4 billion
#9	Switzerland	\$41.0 billion
#10	India	\$39.9 billion
#11	British Virgin Islands	\$38.4 billion
#12	Cayman Islands	\$37.4 billion
#13	Germany	\$34.7 billion
#14	Mexico	\$29.7 billion
#15	Ireland	\$29.0 billion

### **China received more foreign investment last year than did the US:**

Jan 24, 2021 — In 2019, the **U.S.** received \$251 billion in inflows, **and China** received \$140 billion. ... **Investment** in the **U.S.** fell 49%, slightly less than the developed country average of 69%. **FDI** in developing countries fell a comparatively moderate 12%. **China**, included on that list, actually saw a small increase of 4% in its inflows.

China brought in \$163 billion in inflows last year compared to \$134 billion attracted by the U.S., the United Nations Conference on Trade and Development wrote in a report released recently. In 2019, the U.S. received \$251 billion in inflows and China received **\$140 billion**. Jan 24, 2021

### **The emergence of the middle class**

China and India are generating the new **middle class**. Since 2009, China **has** been responsible for the entry of around 700 million people into the ranks of the global **middle class** - 40% of all new entrants. Together China and India **have** contributed around 60% of the new **middle class** (some 1.0 billion people). Sept. 16, 2019

### Wealth of the middle class

For decades, the United States boasted the honor of having the richest middle-class. However, as of 2019, Canada had the wealthiest middle class of any country in the world. The most common figure used by researchers and economics professors when comparing middle-class economies across different countries is median annual income, standardized to U.S. dollars. In 1980, the U.S. was the only country in the world with a median annual income above \$15,000; Canada was second at just over \$14,000, while developed European countries such as Britain, the Netherlands, Norway, Sweden, and France all hovered around the \$10,000 mark. Some of these countries, such as Norway and the Netherlands, began making steady gains on the U.S. beginning in the 1980s, while others, such as Canada, mostly tracked the U.S.' middle-class growth until the late 2000s, when they started making large gains on the world's superpower.

<https://www.investopedia.com/ask/answers/040615/what-country-has-richest-middle-class.asp>

Several factors have allowed Canada to surpass the U.S. in middle-class prosperity. First, American educational attainment has dropped precipitously in comparison with other developed countries. While Americans over 55 are highly educated and literate compared to their Canadian and European counterparts, the same cannot be said for those in the 16- to 24-year-old age bracket, who rank near the bottom for all rich countries in educational attainment.

Additionally, the private sector wage gap between high-level executives and entry-level workers is massive in the U.S., especially when compared to Canada and developed European countries. This is why economic indicators such as GDP can be misleading when trying to discern which country's citizens are doing the best economically. The U.S. boasts impressive economic numbers, but a large number of its citizens do not benefit from them.

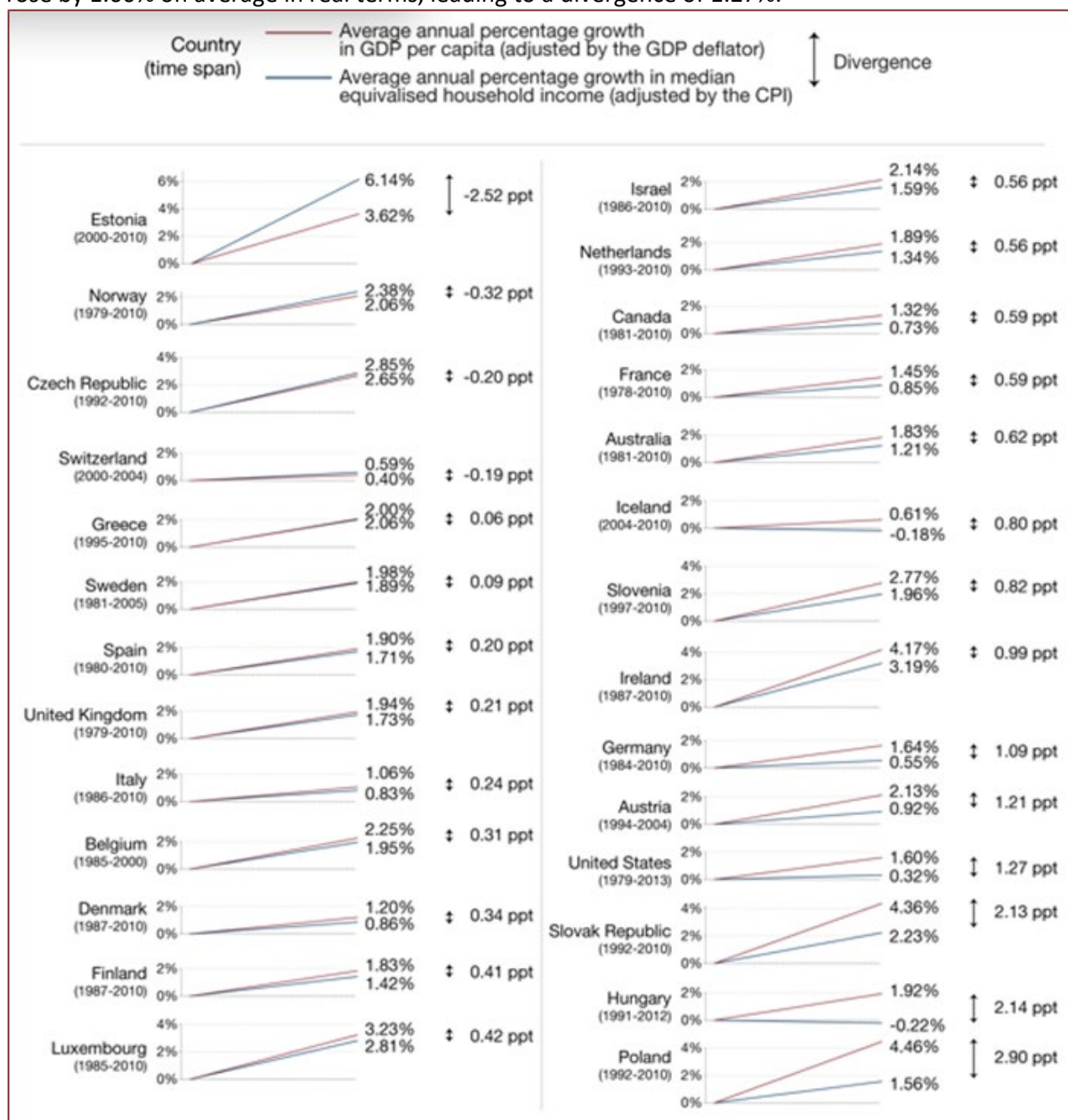
The **American middle class**—at certain times the envy of the world and, at other times, the object of **its** derision—is **losing** ground financially to upper-**income** families, according to a report from the nonpartisan Pew Research Center. August 9, 2020



### Calculate your income class

### Comparing the evolution in GDP per capita to median household income

For our empirical analysis we start from the average annual percentage growth in GDP per capita deflated by the GDP deflator from the OECD national accounts. We compare this with the growth in real income for a 'typical' household, measured by median equivalized disposable household income from our dataset, deflated using the consumer price index (CPI). As Figure 1 shows, GDP per capita rose faster than median income in 23 of the 27 countries over the time span for which we have data for the country in question (this time span varies across countries as stated in Figure 1). Averaged across all countries, GDP per capita rose by 2.17%, whereas median income went up by 1.6% per annum, so the average divergence was 0.57%. The US is among the countries where that divergence is the greatest. Median income went up by only 0.32% on average annually between 1979 and 2013, whereas GDP per capita rose by 1.60% on average in real terms, leading to a divergence of 1.27%.



## Appendix D - Discussion Questions

### Social Mobility

How can we improve the Social Mobility Index of the United States, resulting in greater GDP (Gross Domestic Product) growth? A 10-point index increase would result in 4.41% cumulative GDP growth by 2030. The US would add 867 billion in GDP.

### Education

Beginning in early childhood, intellectual stimulation is a major factor in education success. What policies can help drive that success?

### Technology Access

How can we increase access to technology, i.e., broadband, public and private services?

### Social Protection

What resources and policies are needed to support full employment opportunities for women, low-income workers, disabled citizens and ethnic minorities?

### Health Care

What ideas can we learn from less fragmented health care systems? How can we create a more efficient, less costly, more accessible health care system?

### Labor

How can technology better serve low income and rural America by providing good paying job opportunities? What labor policies could decrease the dependence of low-income U.S. citizens on subsidy programs from the U.S. government for food, housing, and health care?

### Foreign Direct Investment

What has created the loss in foreign direct investment, and how will that impact future American job growth? What industries will be most impacted?