

JOINT ECONOMIC COMMITTEE

CONGRESSWOMAN CAROLYN MALONEY, VICE CHAIR



Measuring Real Income Growth Act (H.R. 707)

What it does:

- [*The Measuring Real Income Growth Act*](#) would require the Bureau of Economic Analysis (BEA) to provide distributional analyses of the U.S. gross domestic product.

What this means:

- The legislation would require the BEA, in addition to its current reporting of GDP, to analyze economic growth at least annually across each income group from the bottom 10% to the top 10%, including a separate measure for the top 1%.

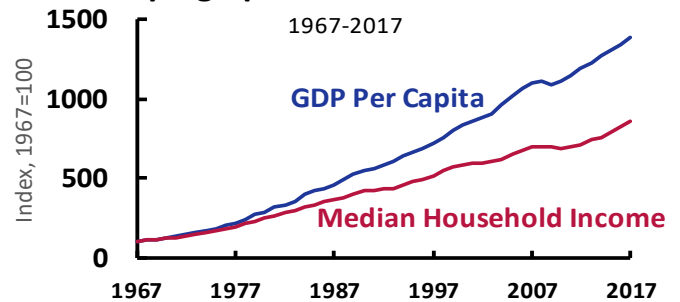
Why?

- Historically, GDP has often grown at a strong rate while millions of Americans see their incomes grow slowly or even fall.
- GDP tells us how fast the nation's economic "pie" is growing, but not the "slices" for different income groups.
- Currently, the BEA produces only aggregate analyses of GDP.
- Disaggregating economic growth by income group will provide a more complete picture of how families in the United States are faring across all rungs of the economic ladder.

Support:

- There has been strong support for the legislation from economists and nonprofits and in the national press.
- Nobel laureates Joseph Stiglitz and Robert Solow, former Federal Reserve Chair Janet Yellen and former Council of Economic Advisers chairs Jason Furman and Laura Tyson recently [endorsed](#) the legislation along with more than 50 other economists and social scientists.

Household Incomes Are Not Keeping Up with Economic Growth



Source: Bureau of Economic Analysis, Census Bureau
Note: Values are nominal values, indexed to 1967 values; Total Population = All Ages Including Armed Forces Overseas

“This is a really good idea...in modern America, [knowing who actually benefits](#) from economic growth is really, truly important. So let's make finding that out, and disseminating the results, part of the government's job.” – **Paul Krugman, NYT**

Overall GDP growth numbers “will tell us nothing about whether families up and down the income ladder are actually seeing that growth.” – **Heather Boushey, Washington Center for Equitable Growth**

“It's not enough to analyze the economic “pie” (GDP), we must understand who is getting the slices.” – **Rep. Carolyn B. Maloney (D-NY)**

“America's working families deserve the full picture when the federal government publishes data showing how the economy is doing.” – **Senator Chuck Schumer (D-NY)**

“Instead of focusing on one economic indicator closely watched by investors, we should be examining data that captures why many families are still struggling to make ends meet.” – **Senator Martin Heinrich (D-NM)**

The bill “is important, because it would [change the national discussion](#) that occurs whenever G.D.P. is released.” – **David Leonhard, NYT**