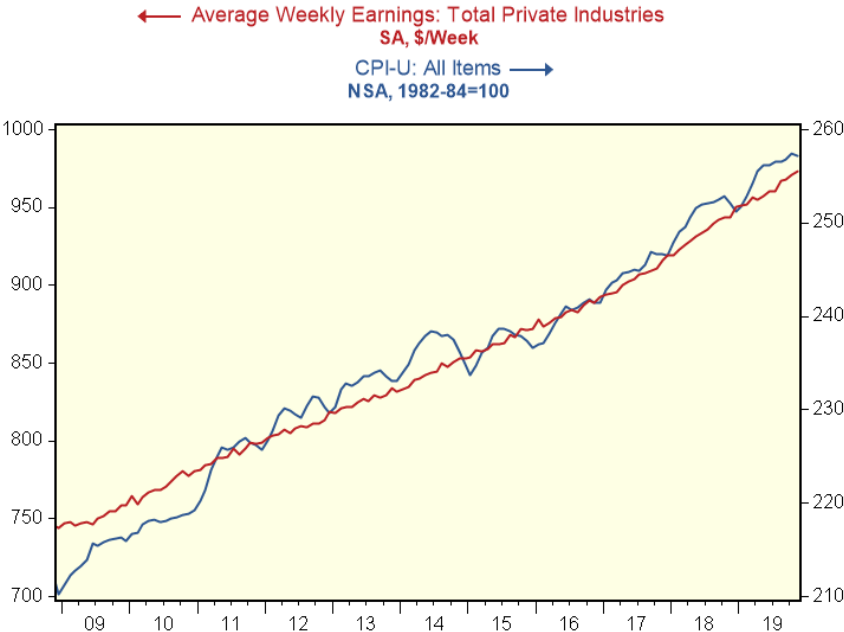


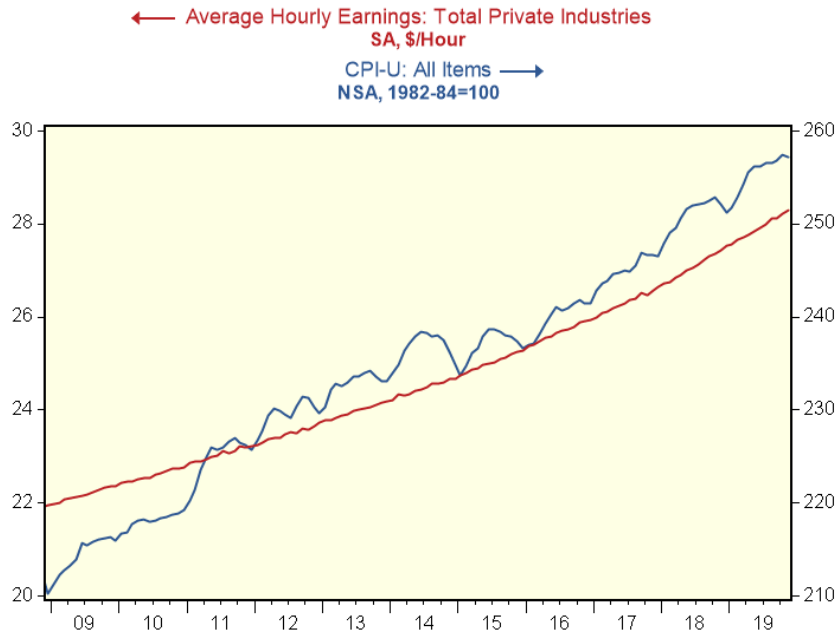
- ZLeonhardt, Megan. “63% Of Americans Have Been Living Paycheck to Paycheck since Covid Hit.” *CNBC*, CNBC, 11 Dec. 2020, www.cnbc.com/2020/12/11/majority-of-americans-are-living-paycheck-to-paycheck-since-covid-hit.html.
 - This source inspired me to revolve my project around this rising issue at hand which was more important to me than my previous capstone idea. Essentially this source highlights the percentage of Americans living paycheck to paycheck. Currently it has been estimated to be about 63% of Americans live paycheck to paycheck and of the entire group polled, pre-covid about 53% of them were living from paycheck to paycheck to we do see about a 10% increase as a result of Covid. It also goes on to explain how it isn't necessarily their choice of spendings of their income, but rather the **rising cost of living**.
- ***Living Paycheck to Paycheck | The New York Times*, The New York Times, 3 Dec. 2014, www.youtube.com/watch?v=45Ouqrnku2g&ab_channel=TheNewYorkTimes.**
 - **This is a youtube video following a family of 4 throughout their day to day struggles. It truly gives me insight to the conditions that they live in, constantly worried about the next due date. A family who cant think past the next payment furthermore digging themselves into a deeper grave to make minimum payments. The video only follows 1 family, but this problem affect millions across the nation. One parent working full time, while the other was just laid off and barely finding seasonal work. The entire family that has medical problems, one severe incident and it would literally cost them their home. Why does this happen?**

- **Brockman, Katie. “Most Americans Are Living Paycheck to Paycheck, Survey Shows.” *The Motley Fool*, The Motley Fool, 11 Aug. 2019, www.fool.com/retirement/2019/08/11/most-americans-are-living-paycheck-to-paycheck-sur.aspx.**
 - **This along with a lot of other sites ultimately associate paycheck to paycheck living to bad money habits. Though it is sometimes true that you can definitely cut back, the problem with that is people are often working full time/double shifts and still lack the ability to pay off debt. The sites tell people to work more, pick up a side hustle or what not, but it’s not so simple. Investing into a stock most often the case is also not an option. Once stuck within the cycle of living paycheck to paycheck, it’s hard to break out of. The sources below this will begin to explain the reason for such living.**
- **McMillan, Brad. “Inflation Versus Wage Growth.” *Commonwealth Independent Advisor, a Blog from Commonwealth Financial Network*, Commonwealth, 2020, blog.commonwealth.com/independent-market-observer/inflation-versus-wage-growth.**
 - **Inflation vs Wage Growth. These images below reflect essentially in red, the wage growth and blue the cost of items in general. The red in the three images showcase Hourly wage, weekly earnings and the weekly wage of the working class. These images at first glance make inflation seem tolerable and that wage growth is keeping up. I would first like to point out that these are records of the past 10 years, the biggest growth of wage in the past 40 years. Secondly, the wage (red line) in figure 1 is lower than the inflation rate, but in**

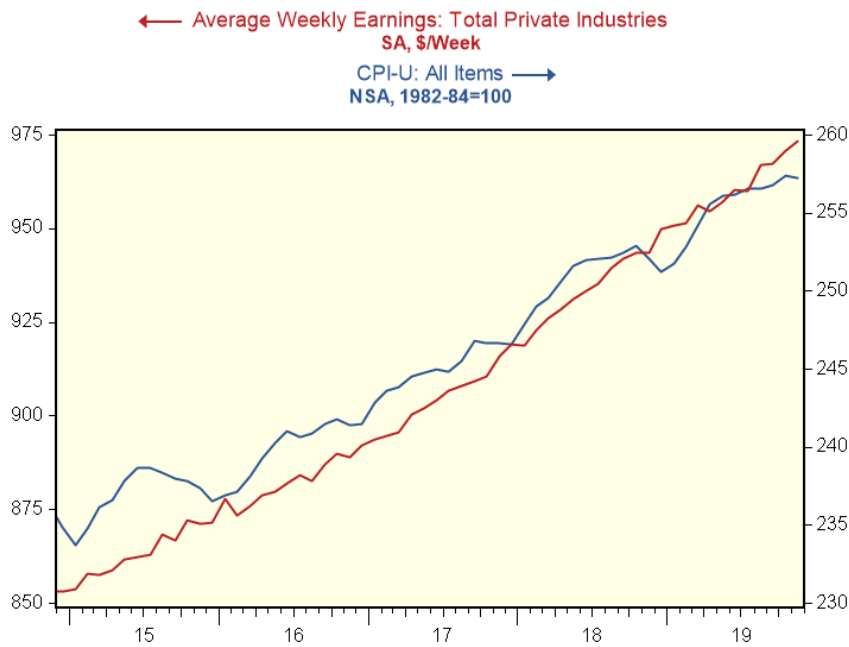
figures 2 and 3 they almost mimic the inflation rate. THESE ARE THE RAW INCOMES. They do not include bills, taxes and other essential payments necessary to survive, the fact that the lines almost touch before any payment is made is the true explanation of the problem. The real data after essential bills are paid will reflect the true gap of income vs inflation.



Source: Bureau of Labor Statistics/Haver Analytics



Source: Bureau of Labor Statistics/Haver Analytics



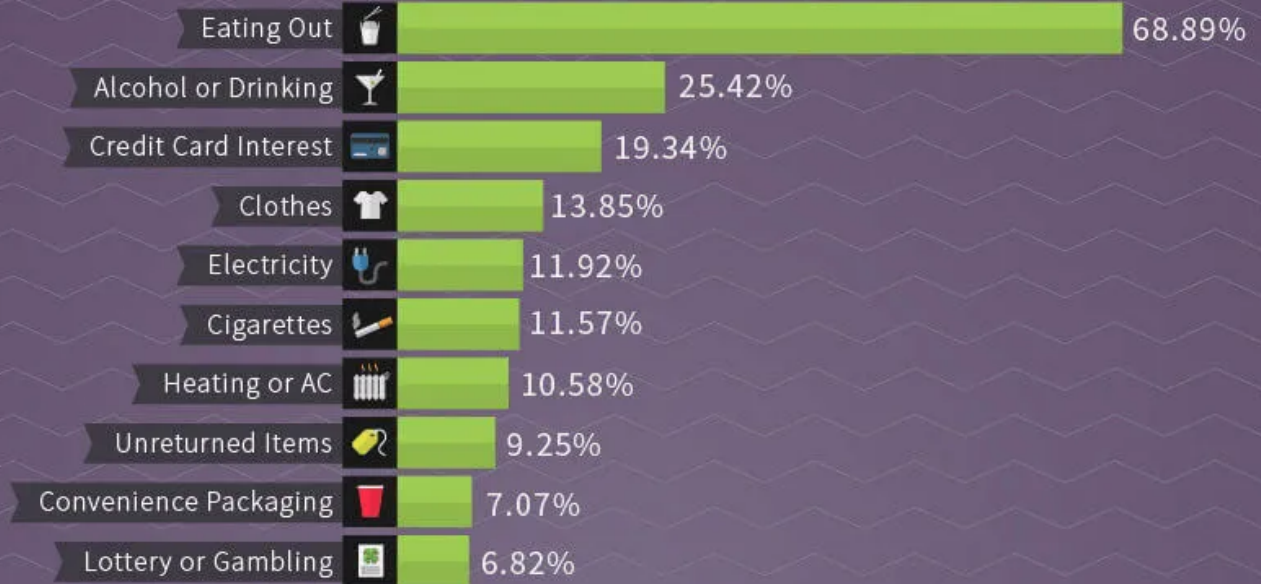
Source: Bureau of Labor Statistics/Haver Analytics

Finance

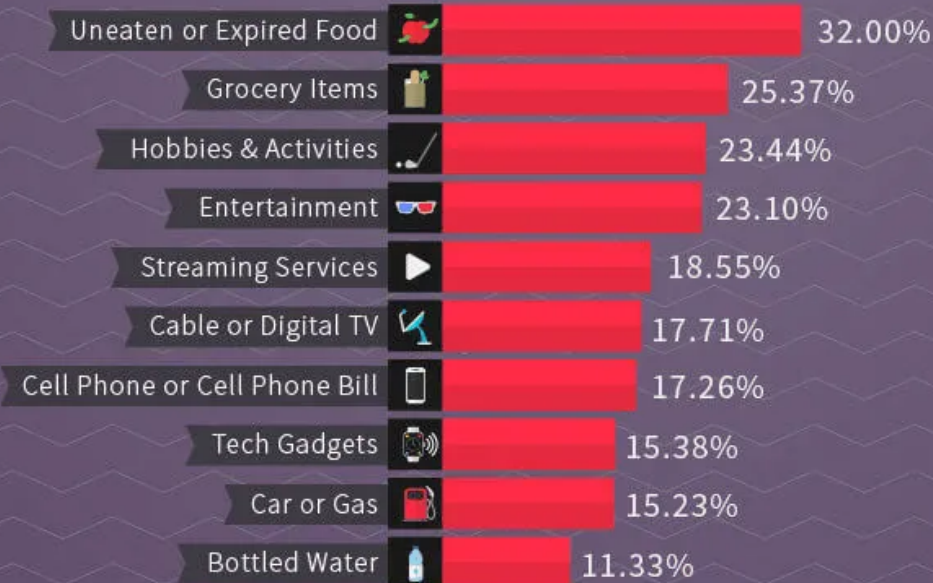
- **“The United States of Financial Waste.” *Hloom.com*, Hloom Limiyrf, 15 Apr. 2020, www.hloom.com/blog/special-reports/the-united-states-of-financial-waste.**
 - **This source gives insight to the habits people have when spending money. Within the website their is an image that depicts spendings and people’s classifications of essential purchases. The obvious and taking the majority are people that eat out. What’s important are the things people are not willing to reduce, though most of those are a necessity to modern day living/working, they can be reduced. For example, not everyone needs a vehicle, bicycles are a good alternative. This site may not be as reliable because it doesn’t reflect the corners some low income people take to save even moer money.**

THE TOP 10 MONEY WASTERS, BY WILLINGNESS TO REDUCE

● Top 10 Money Wasters That People Are Willing to Reduce



● Top 10 Money Wasters That People Are Not Willing to Reduce



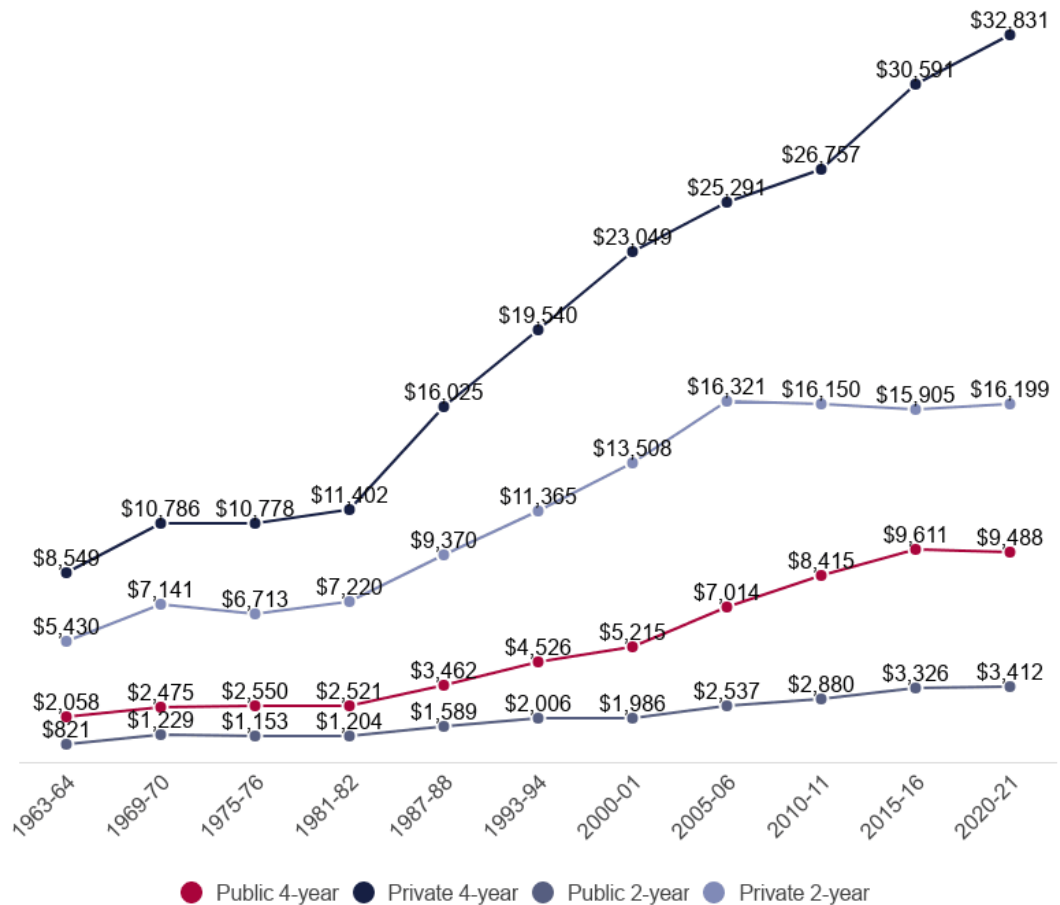
Only 17.4% of people consider themselves to be nonwasteful.

- Bustamante, Jaleesa. “Average Cost of College [2021]: Yearly Tuition + Expenses.”

EducationData, 26 Jan. 2021, educationdata.org/average-cost-of-college.

- I wanted to include this source solely for this graph that depicts the growth of college tuition over the past decade. One of the reasons students/parents live paycheck to paycheck is the entire system taught to people, going to college to pursue a 9-5 job to earn more money. The idea itself is rather counter-intuitive, or at least it will seem so post graduation for some years. Student loans don’t get paid off until very late into your adulthood, it just goes to show how long you spend paying off your college degree. Especially with the rise of tuition without sufficient growth of wage.

Historical Cost of College Tuition, in 2020 Dollars



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- **Hanson, Mel. “Average Time to Pay Off Student Loans [2021]: Data Analysis.”**
EducationData, 15 Jan. 2021,
educationdata.org/average-time-to-repay-student-loans.
 - **It takes 20 years according to this source to pay off an average debt of about \$32,000. The source goes very into-depth to specific payments, loans and calculations to pay off debt per position. The data charts within the website depict a rather scary message and in my opinion attacks the American dreams. What I mean by that is the idea of going to college for low income students is to find a way out of poverty, yet so many people find themselves impoverished once again chained to a system of repayment for the next 20 years of their lives, sometimes more. Is it their fault that they are so indebted? Maybe, not enough scholarships, or deciding to go to an expensive college instead of community or it’s just the system that is flawed.**
- **Moore, Lori. “Lori Moore.” *BBVA*, 21 May 2020,**
www.bbvausa.com/moneyfit/savings-and-budgeting/what-does-it-mean-to-live-paycheck-to-paycheck.html.
 - **This was an okay source that helps people from falling into the paycheck to paycheck lifestyle. Their suggestions are to start saving. Saving does not have to mean keeping it in a bank account, but rather investing it. Due to inflation, the American dollar has been slowly losing its value so to ride the wave of inflation, investing seems like the only way. They also include the obvious,**

cut back from the things you don't need. It isn't by any means an intricate or good guide, but it just caught my attention because instead of trying to help people out of the situation, they help prevent it. A lot of sources aren't much help, especially since if you really are living from paycheck to paycheck, you've already saved as much as you can from cutting a lot from your life.

- **Tanza Loudenback, Liz Knueven. "Mark Zuckerberg Just Became the Third Person on Earth Worth over \$100 Billion. Here's How the Facebook CEO Makes and Spends His Fortune." *Business Insider*, Business Insider, 6 Aug. 2020, www.businessinsider.com/facebook-mark-zuckerberg-net-worth-priscilla-chan-2017-10#:~:text=Zuckerberg%20drives%20an%20affordable%20car,the%20surrounding%20properties%20for%20privacy.**
 - **This source isn't as relevant to the proposal, but I wanted to look into the lifestyle of Mark Zuckerberg, a billionaire. For starters, he dresses like he's homeless, aside from when he's wearing a suit. Aside from that he doesn't buy things he doesn't need, he always thinks about future investments instead of current day entertainment. Maybe it's this habit that people need to learn from in order to not step into a mountain of debt. His goal is not to look rich, he buys affordable vehicles and clothing while investing into real estate. Our generation definitely attempts to look rich before becoming it and that might be a problem in the near future.**