THE PRICE TAG OF BEING YOUNG

Climate Change and Millennials' Economic Future

The millennial generation—the largest in U.S. history—faces serious economic challenges. Politicians have made a series of policy choices that have put the millennial generation at a disadvantage. This is particularly true for what could be the biggest threat ever faced over the lifetime of a single generation: climate change.

KEY FINDINGS

- Without action on climate change, a 21-year-old college graduate in the class of 2015 earning a median income will lose over **\$126,000 in lifetime income**, and **\$187,000 in wealth***.
- Without action on climate change, a 21-year-old earning a median income will lose \$100,000 in lifetime income, and \$142,000 in wealth.
- For the children of millennials, the losses from climate change will be drastically greater.
 - » A child born in 2015 with median earnings will lose \$357,000 in lifetime income, and \$581,000 in wealth.
 - » A child born in 2015 with median earnings and a college degree will lose \$467,000 in lifetime income, and \$764,000 in wealth.

- The lifetime economic losses caused by climate change are substantially greater than the negative impacts of other economic challenges.
 - » Student debt costs the median-earning collegeeducated individual approximately \$113,000 in lost wealth over a lifetime, due to reduced savings for retirement and homeownership.
 - » Losses from the Great Recession cost the medianearning college-educated household \$112,000.
- Without action on climate change, the millennial generation as a whole will lose nearly **\$8.8 trillion in lifetime income**.

*We define income as wages and wealth as wages plus invested savings.





NextGen Climate and Demos released a report quantifying the cost of climate change to the millennial generation and their children. This cost was compared to other significant economic burdens millennials will face over the course of their lifetime: student debt, child care, stagnant wages, and the lack of good jobs. The report finds that, left unaddressed, climate change will impose devastating costs on millennials and future generations. In this case study, we examine how millennials' income and wealth will be affected if we fail to act on climate change, compared to a world without climate change.

THE BENEFITS OF TRANSITIONING TO A CLEAN ENERGY ECONOMY

According to a recent study from ICF International, if we transition to a 100 percent clean energy economy by 2050, in that year we will:

- Create up to 2 million new jobs
- Boost our economy by \$290 billion
- Increase household disposable income by \$650
- Save families \$41 billion on energy bills

The clean energy market is now outpacing the fossil fuel industry, both in productivity and employment:

- In 2015, the U.S. solar industry employed over 209,000 individuals, which is more than the fossil fuel extraction industry. The solar industry also added 35,000 new jobs in 2015 alone, and solar jobs have seen a 123% increase since 2010.
- In the last 15 years, the wind industry has doubled in size four times, and the solar industry has doubled seven times. This growth has occurred at a time when many fossil fuel companies have gone out of business.
- For the first time, 2015 saw more solar systems come online than natural gas power plants which are the top source of electricity in the U.S.
- In the first quarter of 2016 in the U.S., over 98% of new electricity generation capacity was renewable.

WE MUST ACT QUICKLY TO ADDRESS CLIMATE CHANGE

The impacts of climate change are occurring now, faster and stronger than predicted:

- July 2016 was the 15th straight month of record-breaking heat.
- The 21st century has seen 15 of the 16 hottest years on record
- For the eighth consecutive year, extreme weather has cost U.S. taxpayers over \$10 billion.
- Sea levels are rising and in Miami, Norfolk, and other coastal cities, tidal flooding is becoming the norm even on days without storms.
- Drier and longer droughts are threatening our public health and crops.

LIFETIME LOST WEALTH FROM MAJOR CRISES FOR COLLEGE-EDUCATED INDIVIDUALS

