

# Gordon's Predictions

Actual and forecast annual growth rates of productivity and the standard of living

	Actual 1920-1970	Actual 1970-2014	Forecast 2015-2040	Description
Labor Productivity	2.82%	1.62%	1.20%	A slightly higher productivity growth rate than the 2004-2015 time period
Hours per Person	-0.41%	0.15%	-0.40%	A decreasing labor participation rate will reduce hours per person productivity
Real GDP per Person	2.41%	1.77%	0.80%	GDP per person will significantly decrease due to productivity decreases
Median vs. Average Income	0.20%	-0.43%	-0.40%	The difference between the median and mean income will continue to increase with less growth for the majority of Americans
Real Disposable Income vs. GDP	-0.36%	0.12%	-0.10%	Increasing tax rates will cause disposable income to grow 0.1% slower than pre-tax income
Real Median Disposable Income per Person	2.25%	1.46%	0.30%	Disposable income for the majority of Americans will experience very little growth

\*Reproduced from The Rise and Fall of American Growth (Gordon, 2016)