

Opinion: Fed data proves Gen Xers are losing economic ground

By Maria Panaritis, Philadelphia Inquirer

It was shocking enough to hear this week that median American family wealth in 2010 had plunged to 1992 levels. But imagine this equally alarming detail that didn't get headlines: Generation Xers – those who hit the workforce in the late 1980s and early 1990s – got more scorched than any other group.

Before laying out the ugly numbers, let's think about what this portends for anyone who ascribes to America's promise that kids can do better than their parents: If Gen X is failing, we all should be worried.

The Federal Reserve data behind this conclusion reinforces something I've been writing about for several years now, as a relatively lone voice in the nation's press corps: Gen Xers have been decimated financially at a fragile time, while forming households and raising young families, those ordinary coming-of-age endeavors. Their massive loss of wealth occurred in "prime" earning years, when people squirrel away money to pay for bills down the road.

When, if ever, does this Lost Generation even start to catch up, considering the grim pace of economic recovery? Policymakers already are talking about cutting Social Security payments and other social safety-net benefits for Xers come retirement. This is a crisis in the making.

The Fed's findings compound earlier research showing that, for years, this group of Americans born between 1964 and 1980 (though the agreed-upon definition varies) has been doing

worse than the generation that preceded them.

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