

# GENERATIONAL POWER INDEX





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# IN THE COMING DECADES,

*the Western world will experience one of the most consequential and meaningful generational shifts in history.*

**THE BABY BOOMERS** (born 1946-1964), the wealthiest and most influential generation on the planet, currently control \$64.7 trillion<sup>1</sup> (53%) of U.S. wealth, the majority of positions in federal and state governments, and nearly three-quarters of S&P 500 companies. And during their reign, this generation has played a pivotal role in shaping the governmental and financial systems that guide the rest of society.

That said, 40%<sup>2</sup> of Boomers have already retired, and every year, millions more are leaving the labor force. As the remaining Boomers shift focus to their golden years, they will start passing down their wealth, economic and political power, and cultural influence to people in younger generations.

The stakes are high and the passing of the torch is inevitable, but there are still many questions to be answered on how and when exactly the power vacuum left by Boomers may be filled.

Will Generation X (born 1965-1980), now in its prime earning years, take the reins of power to reshape society in a way that suits the “MTV Generation”? Or will the tech-savvy Millennials (born 1981-1996<sup>3</sup>)—the most populous generation in America and the children of Boomers—leapfrog them thanks to their superiority in numbers?

In this new annual report, we highlight the findings of our inaugural Generational Power Index (GPI), an attempt to quantify how much influence over society is held by each generation, as well as in the specific realms of economic, political, and cultural power.

While it’s still early days in truly understanding the consequences of the generational power shift that is rippling throughout society, we believe the GPI can serve as a data-driven starting place to help set a useful context for every new Gen Z TikTok influencer, the election of the first Gen X President of the United States, or every new Millennial billionaire that emerges.

On behalf of the Visual Capitalist team,



**JEFF DESJARDINS**  
Editor-in-Chief and Founder, Visual Capitalist

“As time and space are bent by gravity, so too is truth bent by power.”  
— JAMES ROZOFF

<sup>1</sup> As of Q4 2020. Source: Federal Reserve. <sup>2</sup> Pew Research

<sup>3</sup> There is some debate on start and end years of Millennials, as well as other generations. In this report, we use the most commonly accepted definition for each generation.

# EXECUTIVE SUMMARY

*Each generation is shaped by its own unique historical context and cultural experiences, creating a shared perspective about the world that is different from their elders.*

Therefore, it shouldn't surprise us when any given generation takes the opportunity to shape the society around them, bending both political and economic structures to align with their values.

In the inaugural edition of our **Generational Power Index (GPI)**, we aim to accurately break down the landscape of generational power in the current moment. To do this, we quantify power in the U.S. using three key categories:



All three categories are combined together to create our flagship metric: **Overall Power**.

In the following pages, we'll dive into the metrics and variables that make up the index, and perhaps more importantly, we'll start to unravel the captivating stories that are emerging at the forefront of the transition of generational power.

Not only will this snapshot of power and influence tell you who has power and how they wield it, but it also sets the stage for the big decisions that will define the future direction of society, as this power shift becomes more complete.

4 This report focuses exclusively on the U.S., but similar power dynamics are in place in many Western countries. We expect to build regional spotlights (i.e. Canada, Europe, etc.) into future editions of the report.

## Highlights of the 2021 GPI

**SILENT GEN**



The oldest and smallest generation featured in this report still has **more Economic and Political Power** than Millennials and Gen Z combined

**BABY BOOMERS**

#1 The most powerful generation, with a 38.6% share of Overall Power

38.6%



Owns **more wealth than all other generations** combined

Ranks #1 in both Economic and Political categories of power



**GEN X**

#2 The second most powerful generation, with a 30.4% share of Overall Power

30.4%



Ranks #1 in **Cultural Power**, with a 36.0% share



**MILLENNIALS**

#3 Ranked 3rd in Cultural Power, and 4th in both Economic and Political Power



Had highest share of power in our **Digital Platforms and Celebrity variables** (Cultural Power)

**GEN Z**



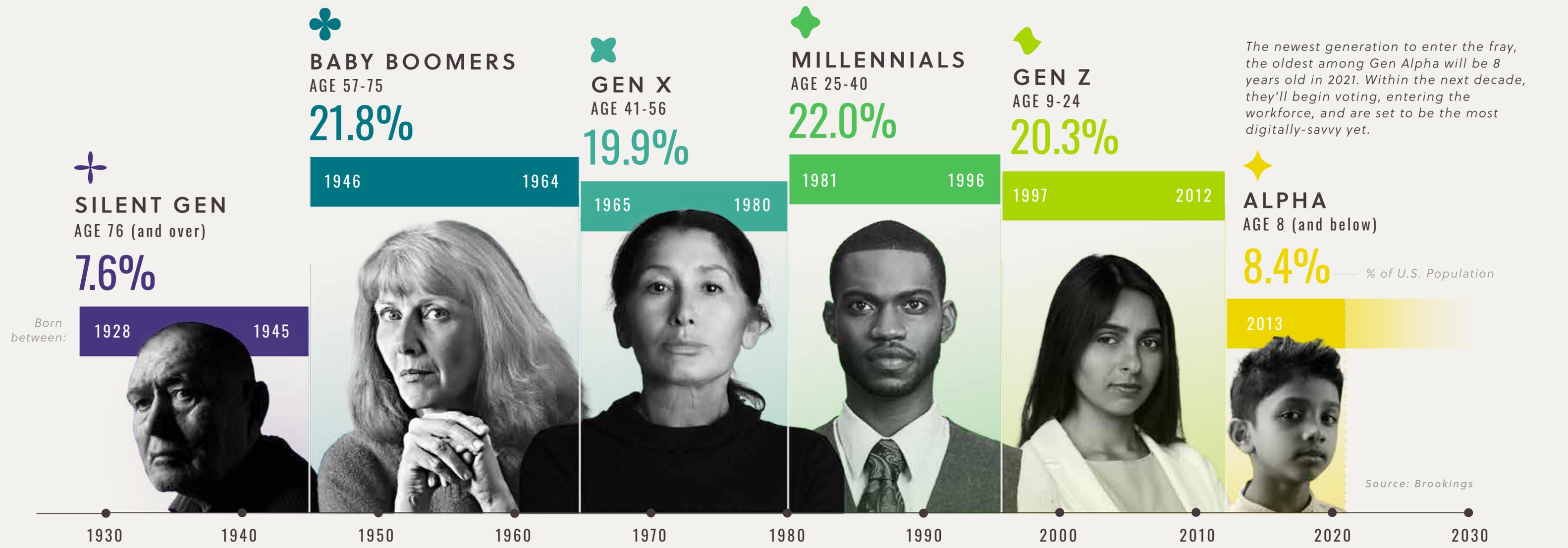
The youngest generation featured in this report ranks **last in every power category**, but this is to be expected given their age range (9-24 years old)

# INTRODUCTION TO THE GENERATIONAL POWER INDEX

*There are concepts that are easy to observe, but hard to measure.*

For example, humans, in their quest to categorize and codify the world, largely agree on the idea of "generations". Shared experiences and demographic shifts add up to noteworthy similarities within cohorts of the population. The Baby Boomers were a particularly easy generation to identify. The postwar era was a strong unifying force and the sheer numbers of new humans was a clear demographic event.

Of course, measuring the boundaries of these generations is a tricky business. Over the years, competing ideas have entered the public conversation, and academics have landed on age brackets that are now widely cited. Below are the age ranges of generations, and their distribution within the current population of the United States.

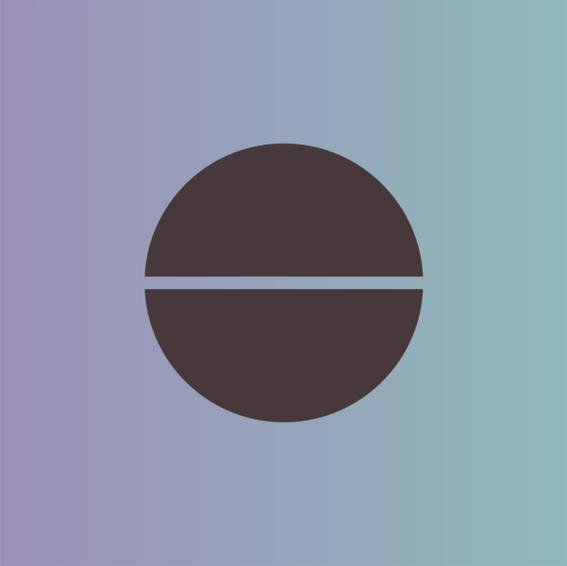


*The newest generation to enter the fray, the oldest among Gen Alpha will be 8 years old in 2021. Within the next decade, they'll begin voting, entering the workforce, and are set to be the most digitally-savvy yet.*

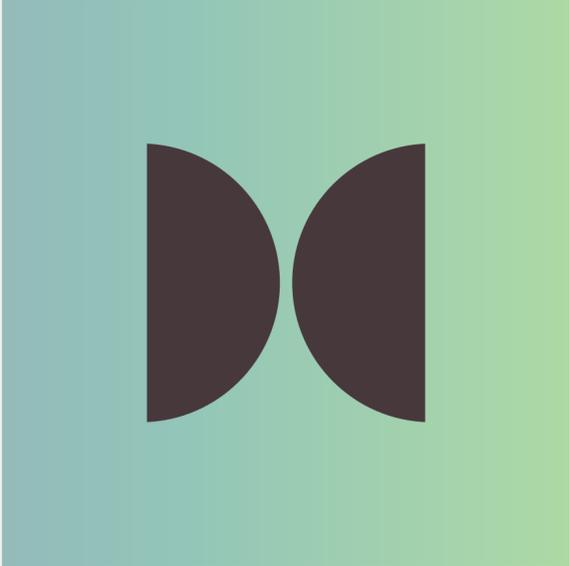
**Another easy to observe, but hard to measure concept is power.**

The ability to influence others and shape events is as old as humanity itself, but as society becomes more complex, so do manifestations of power. Of course, time-honored positions of power still endure in the 21st century. Judges and CEOs still command respect and wield great influence over society. Movie stars and authors are still very much a part of the conversation.

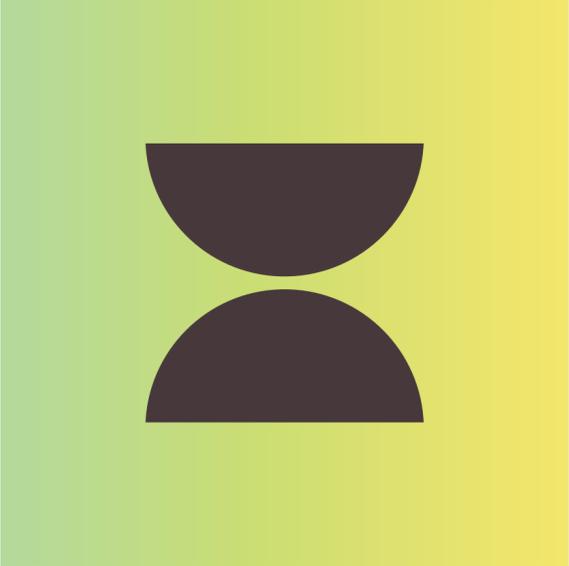
That said, technology—the great disruptor—is now adding new elements into the mix. Smartphones allow nearly anyone to speak directly to billions of people. Decentralized finance is re-shaping traditional systems of wealth. With this increasing complexity in mind, we examined the broadest range of factors possible, and narrowed down to three distinct categories:



**ECONOMIC**



**POLITICS**

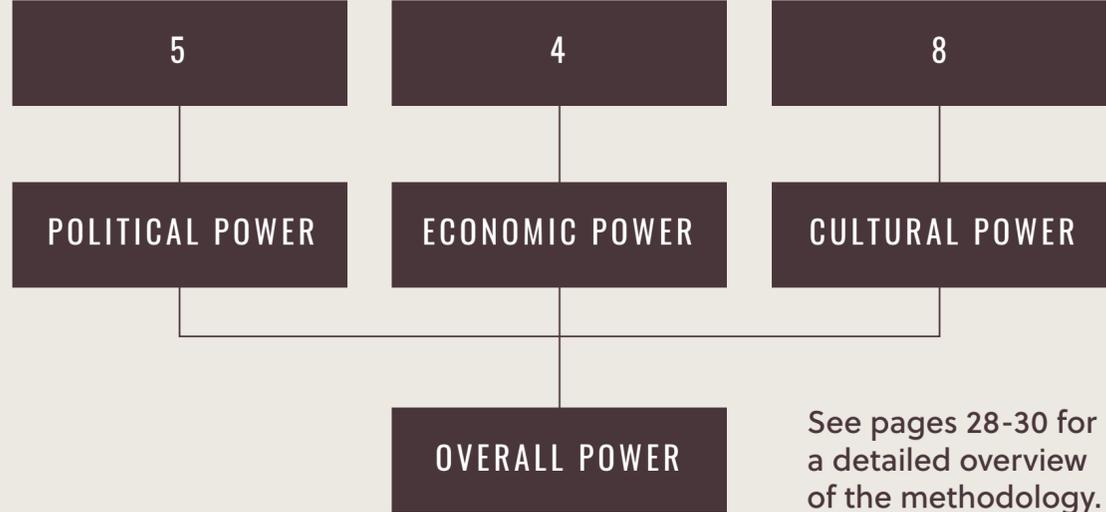


**CULTURE**

**HOW WE CALCULATE THE GPI**

Each of the three categories is built from a combination of factors. For example, the Economic Power category is constructed from five distinct factors. The Overall Power score is created by combining the three power categories.

**Number of variables**



See pages 28-30 for a detailed overview of the methodology.

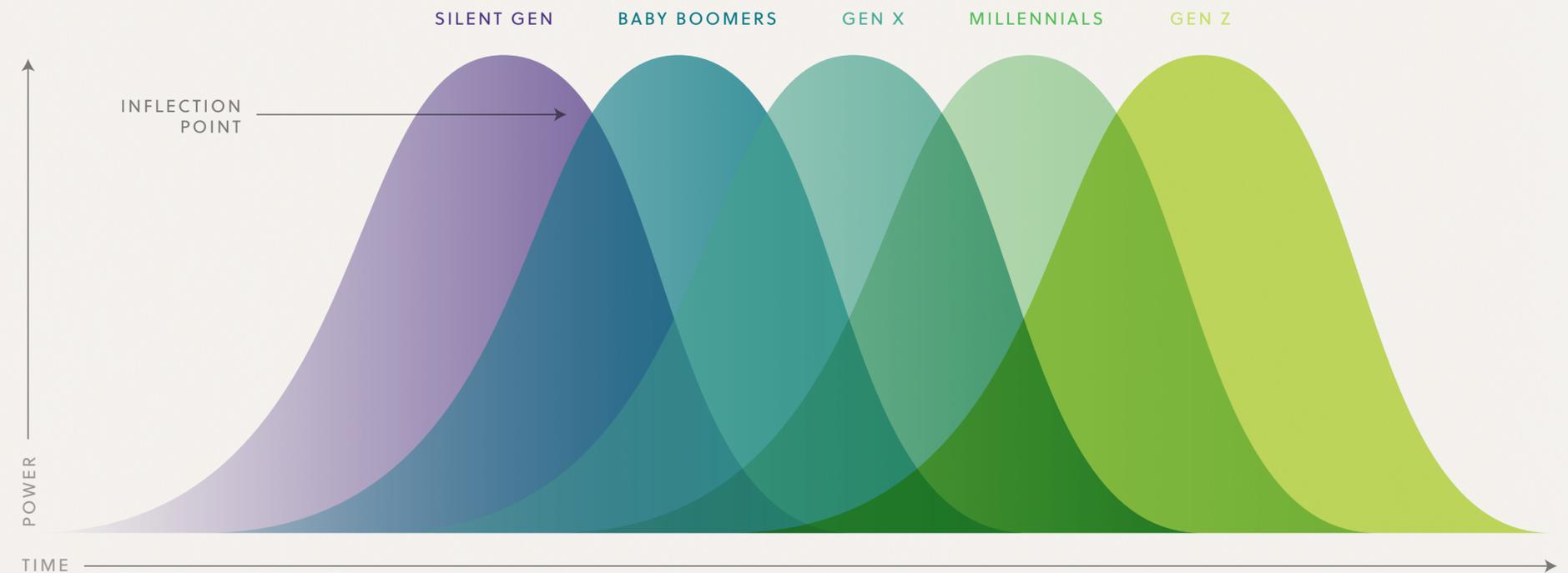
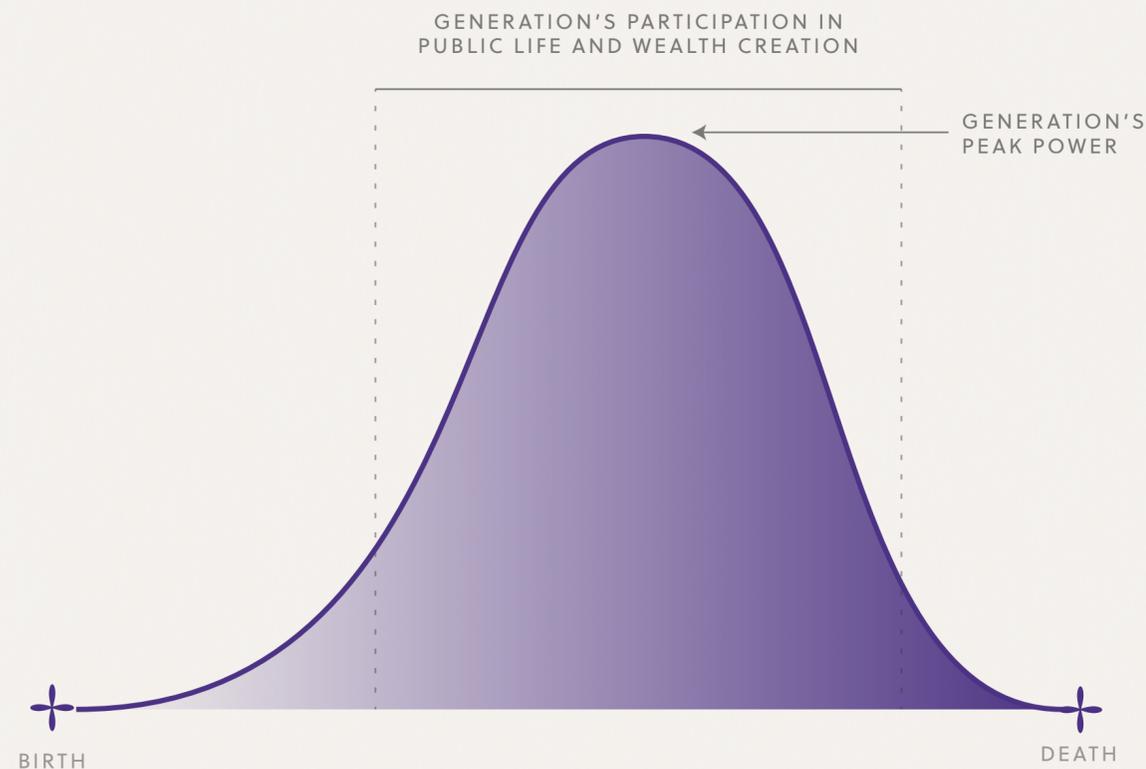


# GENERATIONAL POWER SHIFTS OVER TIME

## *What's so important about measuring generational power?*

As newer generations move into positions of power, they begin to shape society so it conforms to their unique, collective worldview. Therefore, knowing which generation is leading the pack gives us a better understanding of where society is headed, and what we can expect for the near future.

We know an index like this will never be perfect, but we're confident that the Generational Power Index is a powerful tool that provides insight into inter-generational power dynamics, and how they evolve over time.



# KEY EVENTS THAT SHAPED GENERATIONS

COHORT REACHES ADULTHOOD    ENTIRE COHORT IS IN THE WORKFORCE    COHORT REACHES RETIREMENT AGE



**JFK ASSASSINATION**

Baby Boomers named the assassination of JFK as the second most historic moment to happen in their lifetime.



**TECH REVOLUTION**

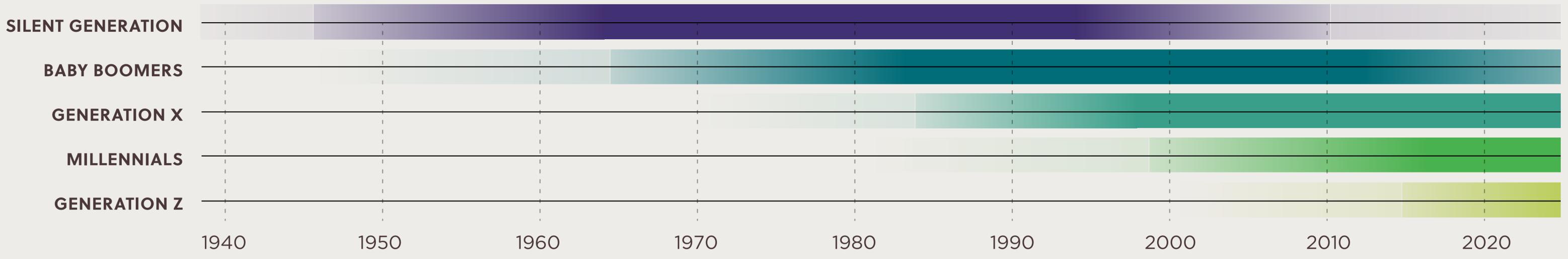
**BERLIN WALL / END OF THE COLD WAR**

**OBAMA ELECTION**

Millennials and Gen X named the election of President Obama as the second most historic moment to happen in their lifetime so far.



**TRUMP ELECTION**



**WWII**



**MOON LANDING**



**CIVIL RIGHTS MOVEMENT**



**VIETNAM WAR & PROTESTS**



**9/11**



**WARS IN AFGHANISTAN AND IRAQ**



**COVID-19**

Every generation prior to Gen Z named Sept. 11 as the most historic event that occurred in their lifetime.

Source: PEW Research

# GENERATIONAL POWER INDEX



# OVERALL POWER

Overall Power is calculated by combining data from all three categories we cover in this report: Economic, Political, and Cultural Power.

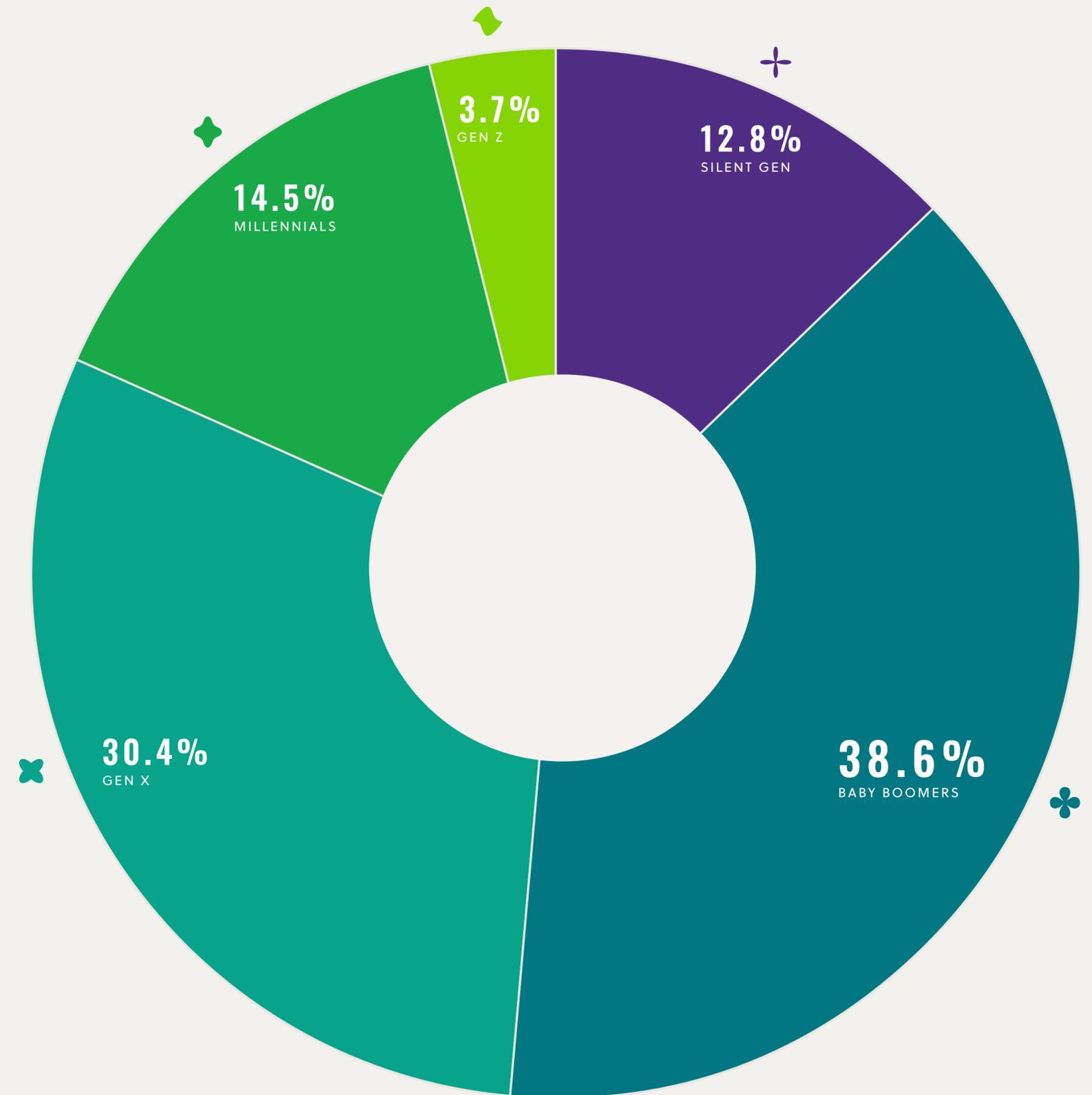
With 38.6% of Overall Power, the Baby Boomers are the most influential cohort. Gen Z comes in last place with 3.7% of Overall Power, though this is to be expected given that they are 9-24 years old in 2021.

Within the three distinct categories, Baby Boomers are again the heavy weights with the most Economic and Political Power. However, Gen X emerges as the most powerful generation in the cultural sphere.

## Breakdown of power by generation

| OVERALL RANK | GENERATION   | ECONOMIC POWER | POLITICAL POWER | CULTURAL POWER |
|--------------|--|----------------|-----------------|----------------|
| #1           |  BABY BOOMERS | 43.4%          | 47.4%           | 25.1%          |
| #2           |  GEN X        | 26.2%          | 29.0%           | 36.0%          |
| #3           |  MILLENNIALS  | 9.6%           | 10.0%           | 23.9%          |
| #4           |  SILENT GEN   | 17.6%          | 12.1%           | 8.8%           |
| #5           |  GEN Z        | 3.3%           | 1.6%            | 6.1%           |

Note: Percentages may not total 100 due to rounding.



# OVERSIZED POWER

*In comparison to their population weighting, most generations have disproportionately higher power in certain variables that we measured for this report.*



## SILENT GEN

Variables where people aged 76+ punch above their weight:

-  BOOKS
-  BILLIONAIRE WEALTH
-  ELECTION CAMPAIGN SPENDING



## BABY BOOMERS

Variables where people aged 57–75 punch above their weight:

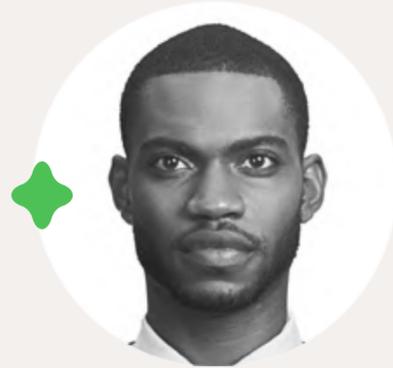
-  S&P 500 CEOs
-  CHIEF JUSTICES
-  STATE GOVERNORS



## GEN X

Variables where people aged 41–56 punch above their weight:

-  FILM / TELEVISION
-  CITY COUNCILS
-  SMALL BUSINESS OWNERSHIP



## MILLENNIALS

Variables where people aged 25–40 punch above their weight:

-  DIGITAL PLATFORMS
-  CELEBRITIES
-  MUSIC & RADIO



## GEN Z

Variables where people aged 9–24 punch above their weight:

NOTHING YET

-  ECONOMIC POWER
-  POLITICAL POWER
-  CULTURAL POWER

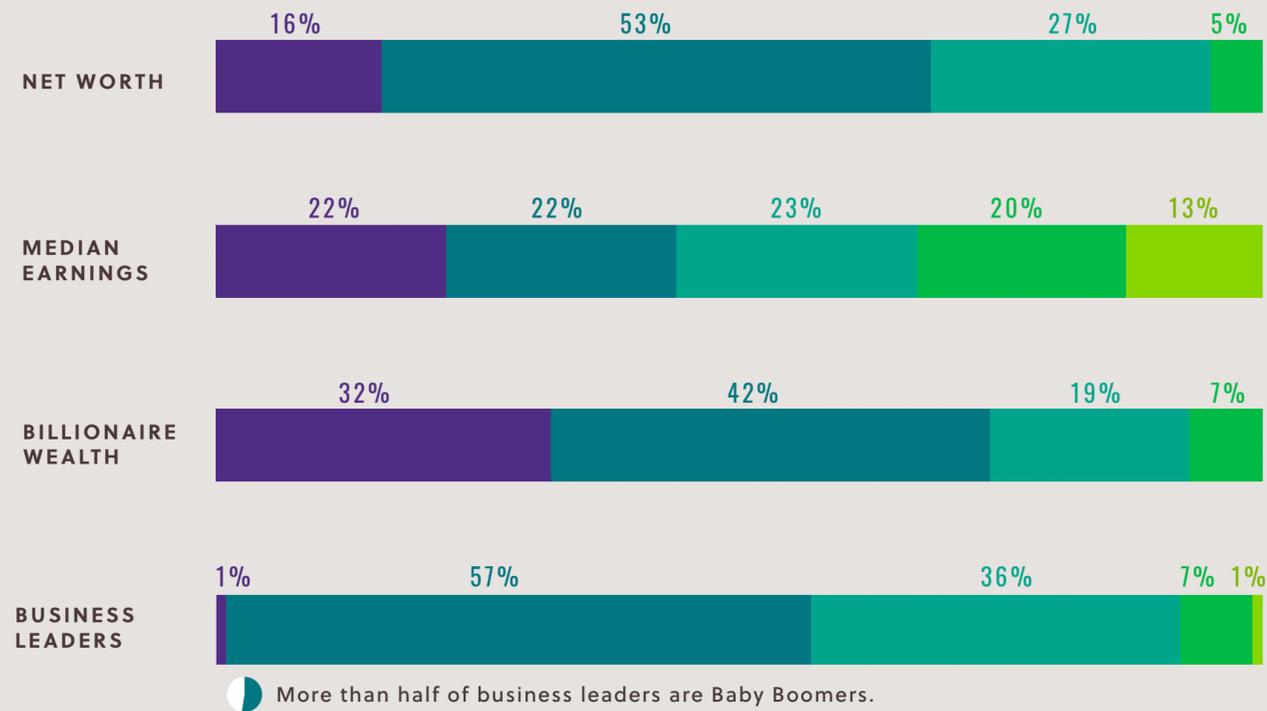
# ECONOMIC POWER GENERATOR

Generation X has managed to carve out some power from dominant Baby Boomers, but younger generations face an uphill climb.

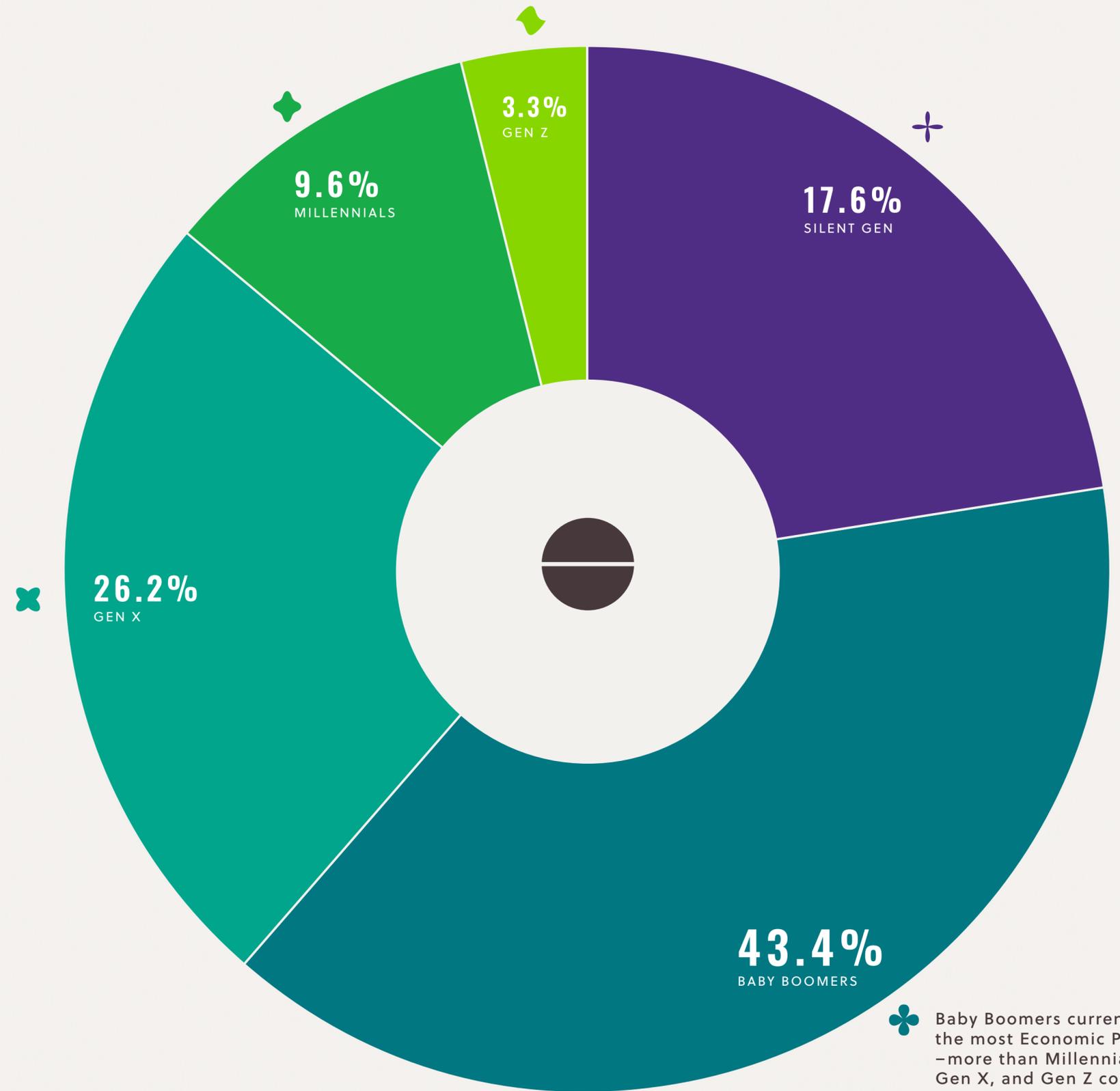


# ECONOMIC POWER

## Economic variables by generation



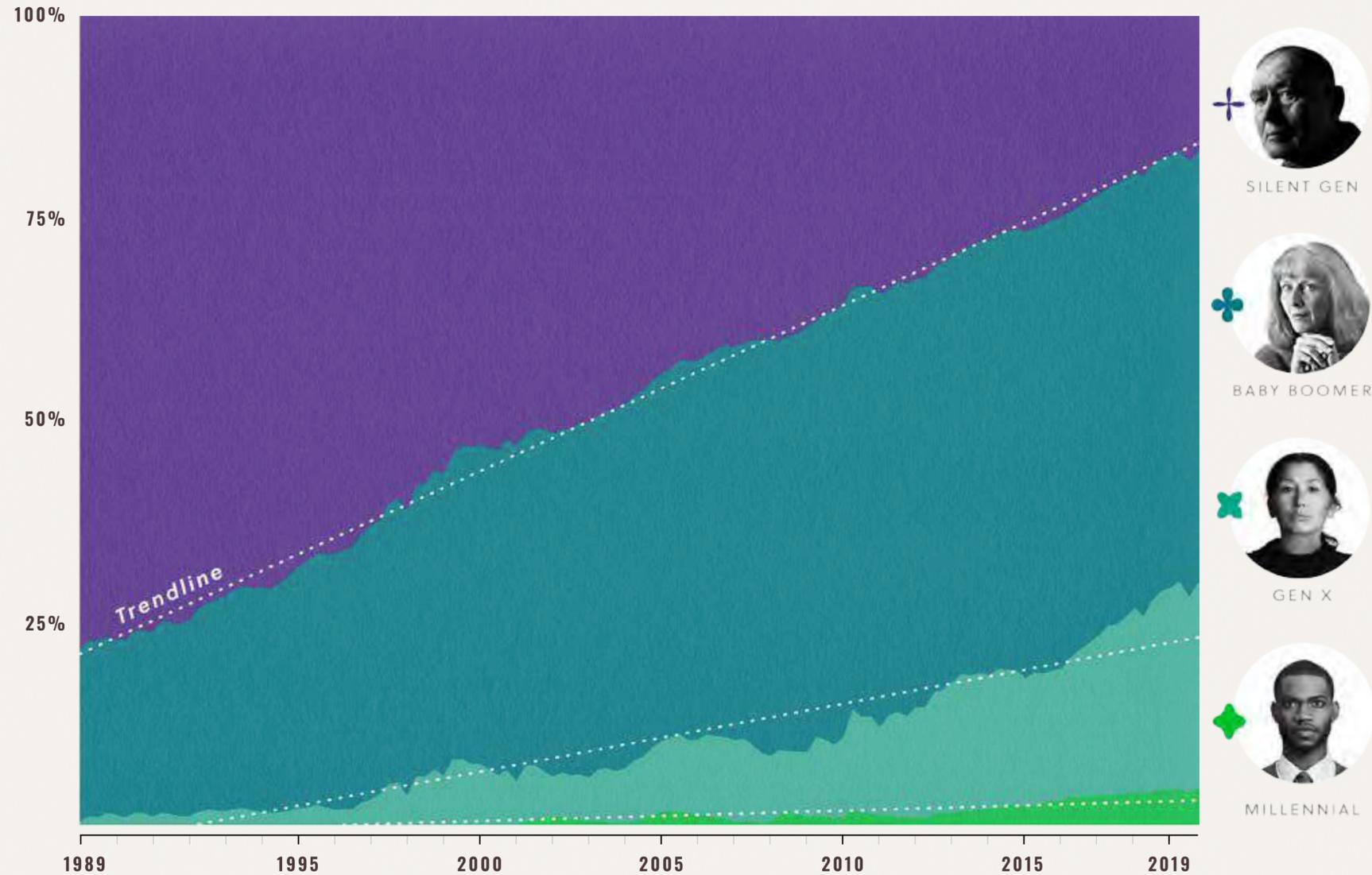
Note: Percentages may not total 100 due to rounding.



Baby Boomers currently hold the most Economic Power – more than Millennials, Gen X, and Gen Z combined.

# NO PIE FOR YOU

## Share of U.S. household wealth



## Younger generations face an uphill climb

Born in a post-WWII era, Baby Boomers lived their working years in a relatively prosperous economy. In contrast, many Millennials have started their careers in the aftermath of the 2008 Financial Crisis.

Today, Millennials and Gen Z face a slew of financial challenges, with rising debt chief among them.

## Total average debt by generation % change in total average debt, 2019-2020



Over the course of the COVID-19 pandemic, Gen Z unemployment rates were two times greater than older generations.

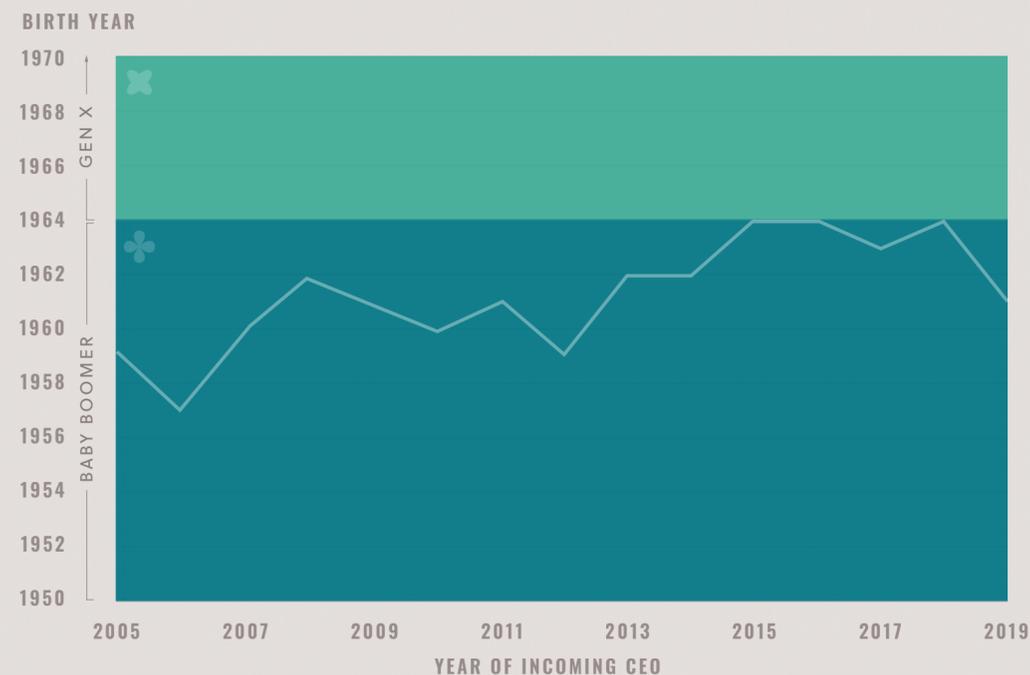
Source: Experian, U.S. Federal Reserve, OECD

# STAYING POWER

**Baby Boomers not only entered the workforce at a fortuitous time, but they also redefined what it means to work, stretching their tenures well beyond previous generations.**

As a result, Gen X is being left out of the C-suite—at least for now.

## Average birth year of incoming CEO



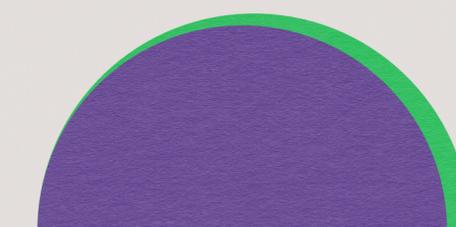
Source: Crist Kolder Volatility Report, Boundless



## The outliers

### Mark Zuckerberg v. Warren Buffett

Total net worth



**\$101B**  
WARREN BUFFETT, 90YO  
+ SILENT GEN

**\$113B**  
MARK ZUCKERBERG, 36YO  
◆ MILLENNIAL

As fate would have it, two well-known leaders bookend the S&P 500 CEO age spectrum: Mark Zuckerberg and Warren Buffett.

At the tender age of 23, Zuckerberg became the youngest self-made billionaire in history in 2007, less than three years after Facebook's launch. 14 years later, he is still the S&P 500's youngest CEO.

Warren Buffett, meanwhile, has had a rewarding career spanning seven decades. Buffett made his first billion at age 56 in 1986. His depth and breadth of financial market knowledge is why he's still considered one of the most powerful and influential investors out there.

Source: Bloomberg Billionaires Index.

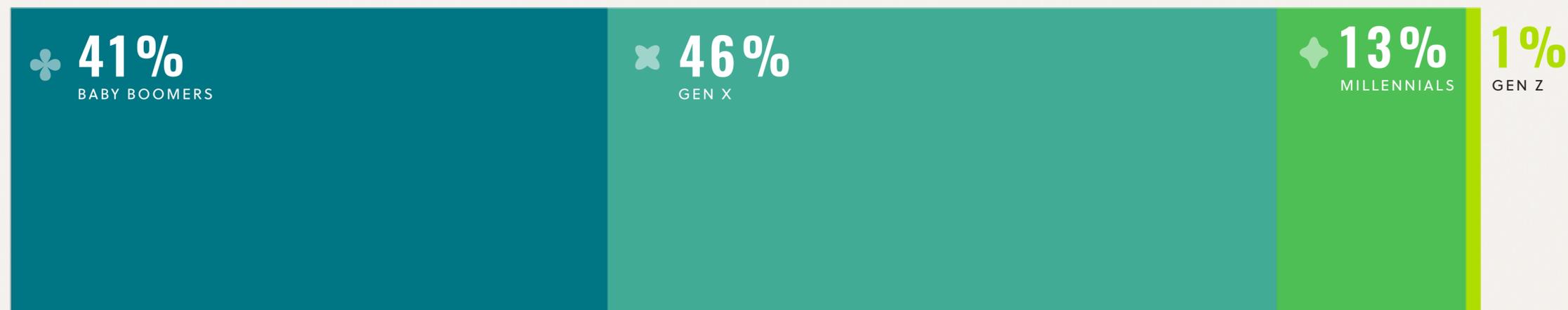
# SMALL BUSINESS, BIG POWER

*Small businesses employ around one-third of the U.S. workforce, and make up 99.9% of all firms in the country.*

Small business owners don't operate at the scale of, say, Apple or Amazon, yet they still wield a great deal of influence in their communities.

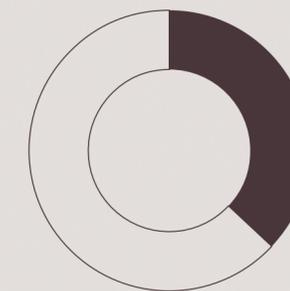
While Boomers dominate at the S&P 500 level, it's Gen X that leads in the small business category.

## Small business leaders, by generation



Note: Percentages may not total 100 due to rounding.

## The era of the side hustle



**37% of Americans have a 'side hustle' to make ends meet.**

Younger generations still make up a small portion of small business owners, but that doesn't mean they are any less entrepreneurial.

Millennials and Gen Zers are 188% more likely to have the aim of creating a side business, compared to Boomers and Silent Gen.

Source: Bankrate, Salesforce, Small Business Administration, Deloitte

# THE GREAT WEALTH TRANSFER

**Over the next three decades, economists are anticipating a historically significant shift in America's wealth distribution.**

Known as *the Great Wealth Transfer*, Millennials could inherit as much as \$68 trillion from their Baby Boomer parents, currently aged 57 to 75.

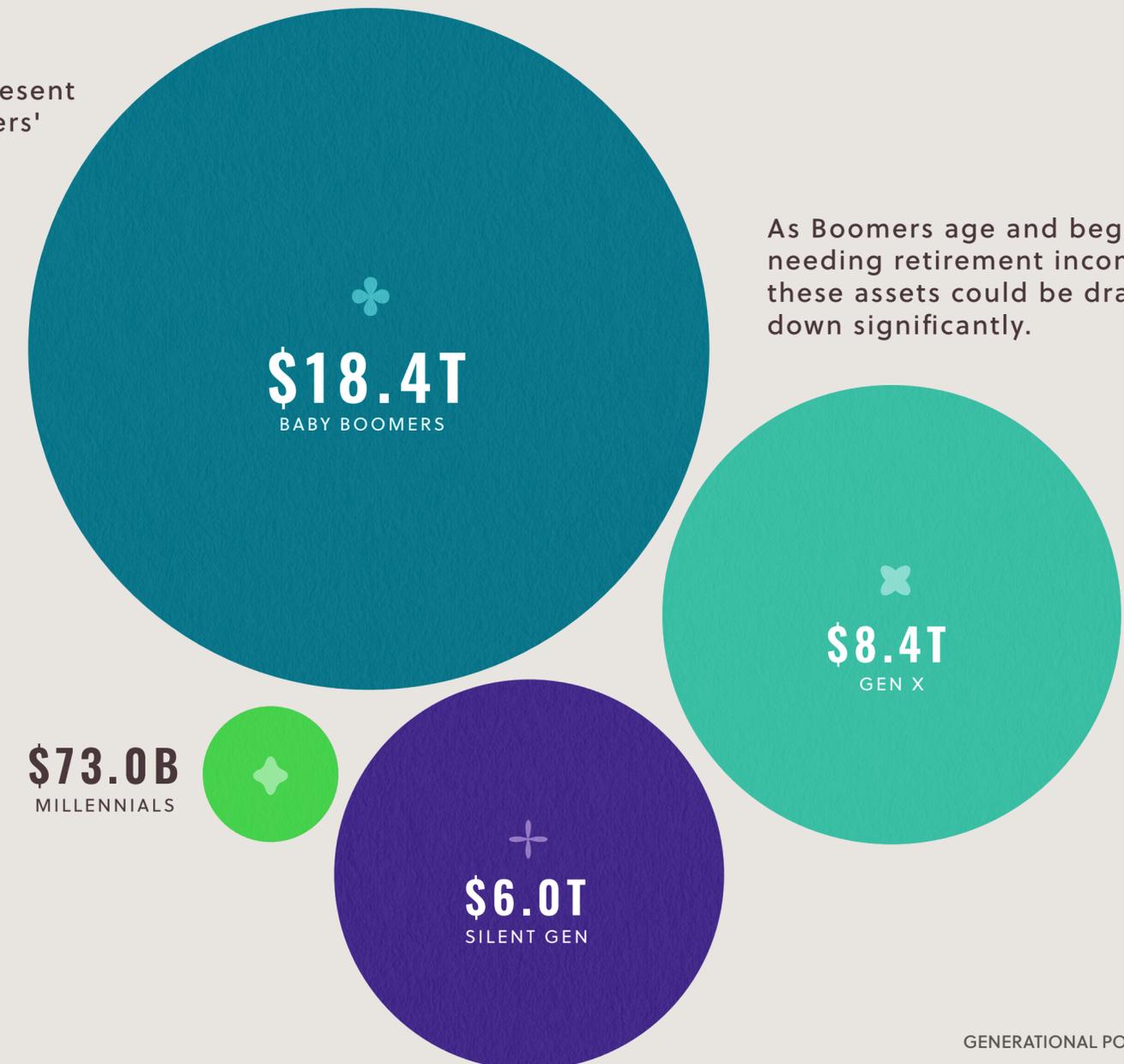
There is a layer of uncertainty surrounding this number, given that a large share of Boomers' wealth is tied to investments or homes. Future stock market performance, as well as tax and estate laws, are likely to influence the amount of wealth Millennials actually inherit.

## Equities & mutual fund shares by generation, USD

As of Q4 2020

Financial assets represent nearly 30% of Boomers' collective net worth.

As Boomers age and begin needing retirement income, these assets could be drawn down significantly.

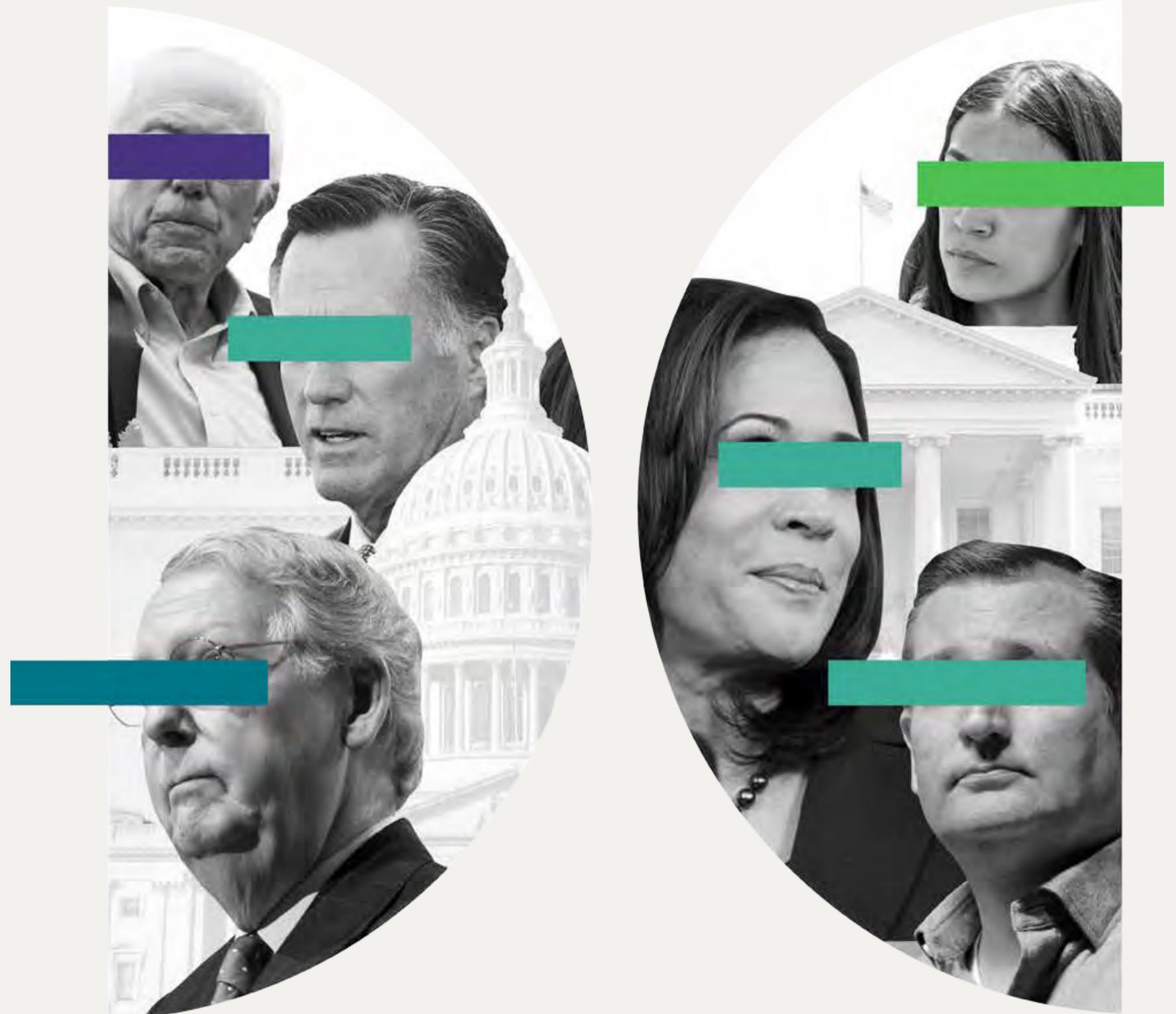


Source: Federal Reserve



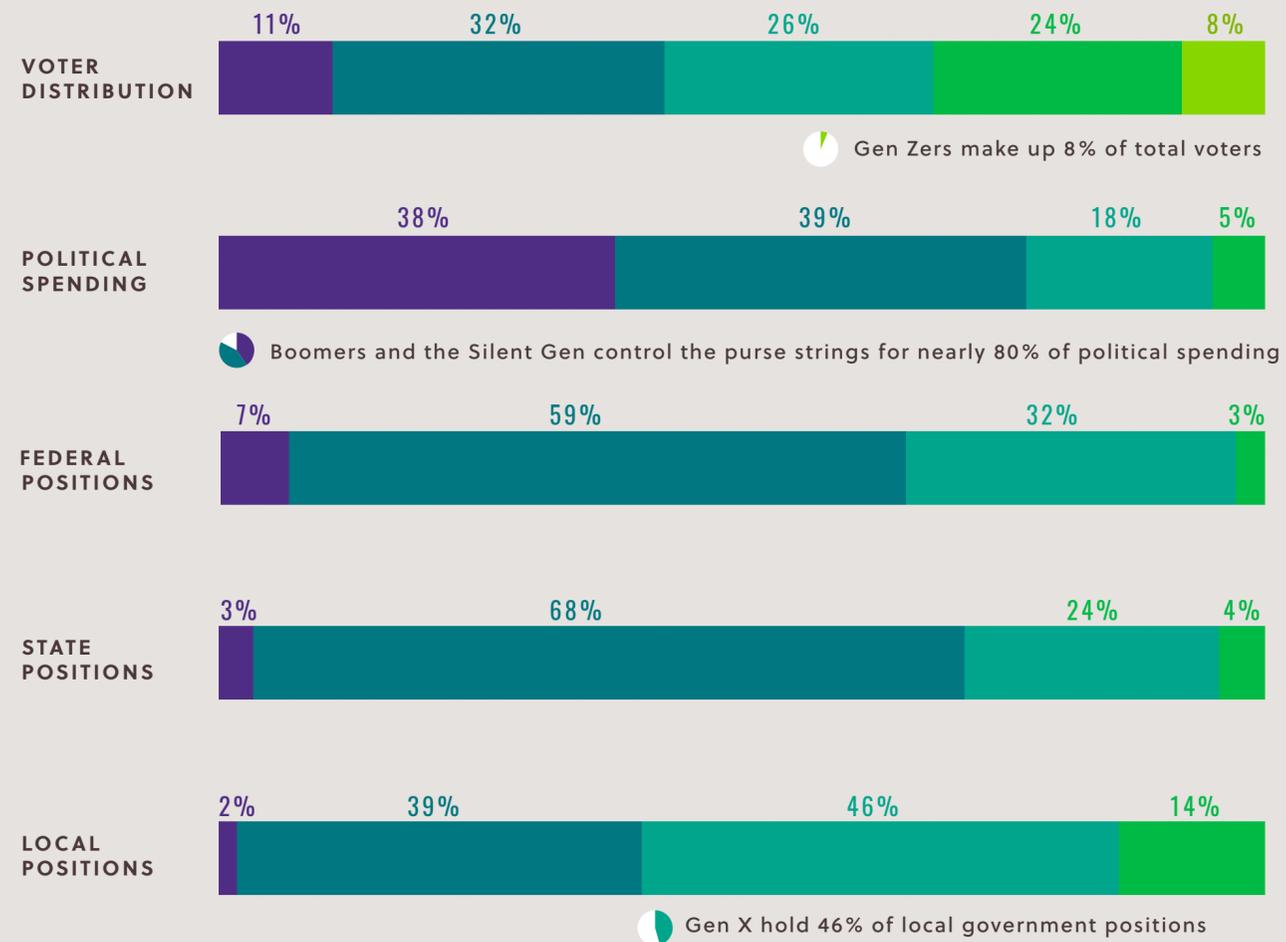
# POLITICAL POWER

Baby Boomers are still the clear leaders in the political arena, but power dynamics are beginning to shift.



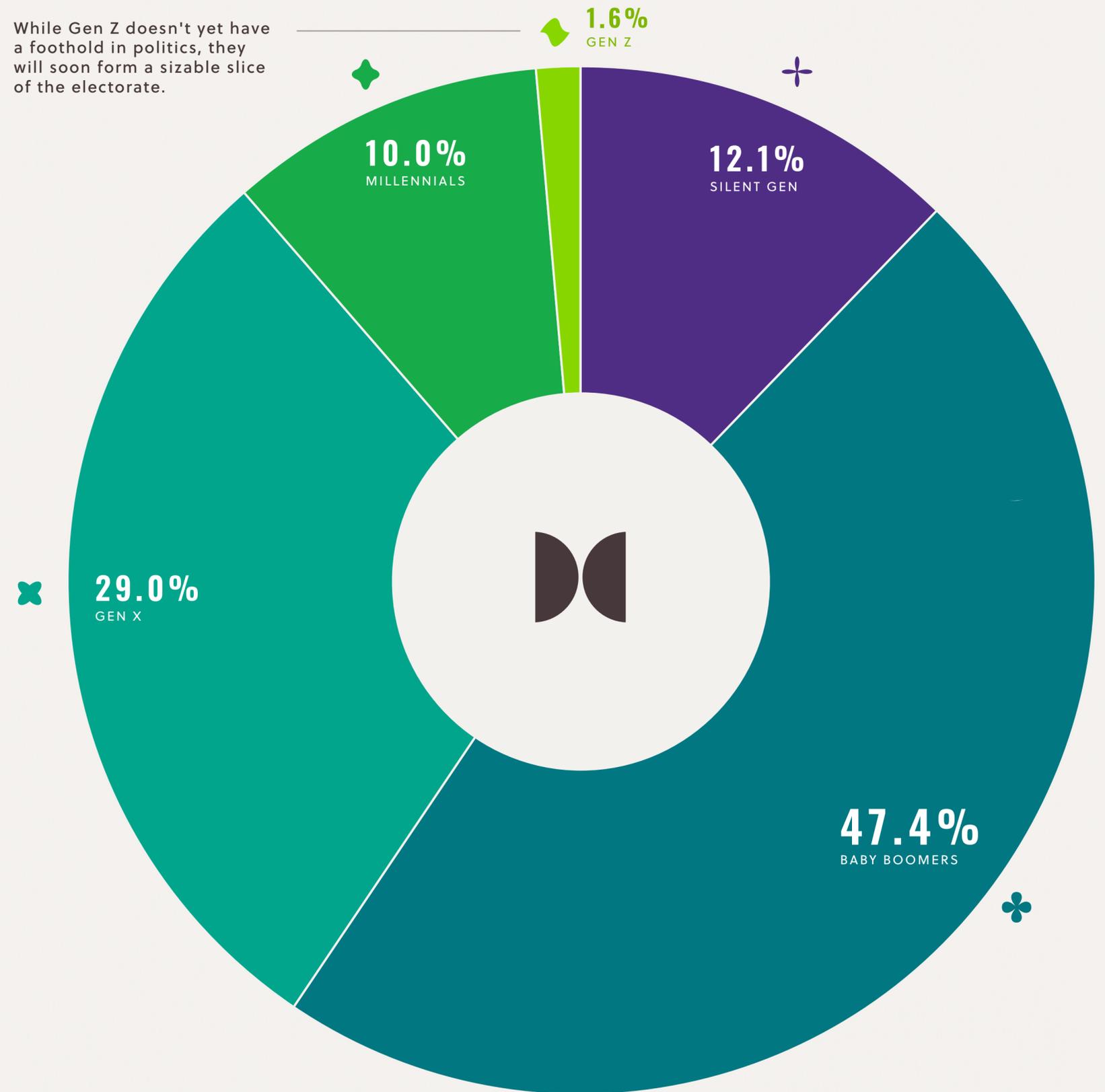
# POLITICAL POWER

## Political variables by generation



Note: Percentages may not total 100 due to rounding.

While Gen Z doesn't yet have a foothold in politics, they will soon form a sizable slice of the electorate.



# THE EVOLVING ELECTORATE

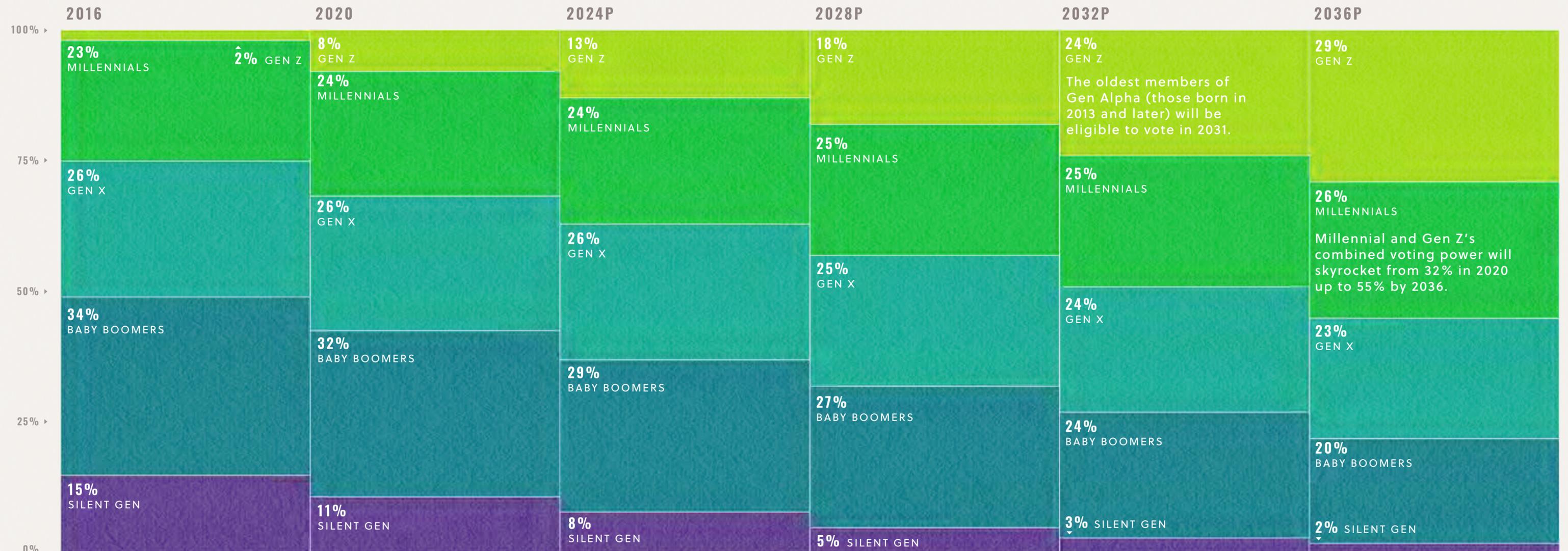
*The face of the U.S. voter is skewing ever younger.*

Younger generations have very different perceptions on everything from cannabis to climate change, and that is starting to be reflected in legislation.

2016 was the last election that Baby Boomers made up over a third of total U.S. voters, and collectively, their voting power will now decline from here on.

Source: Center for American Progress

All U.S. voters, current and projected



The oldest members of Gen Alpha (those born in 2013 and later) will be eligible to vote in 2031.

Millennial and Gen Z's combined voting power will skyrocket from 32% in 2020 up to 55% by 2036.

# THE COMPOSITION OF CONGRESS

## Baby Boomers still run the show in America's highest offices.

Even with a growing share of the electoral base, younger generations still wield very little political power within government itself.

Baby Boomers claim 298 out of 532 total Congress seats. That means they hold over half of all Congressional voting power, despite accounting for 22% of the U.S. population.

On the flip side, Millennials are highly underrepresented, holding only 6% of Congress seats despite being similar in population to Boomers.

By 2022, the oldest members of Gen Z will turn 25, meeting the minimum age requirement to get elected to the House of Representatives, according to the Constitution. With Gen Z's entry into the playing field, will the composition of Congress change in the next few years? Or will the status quo remain?

### Population vs Congress

Population (%)



Congress (%)

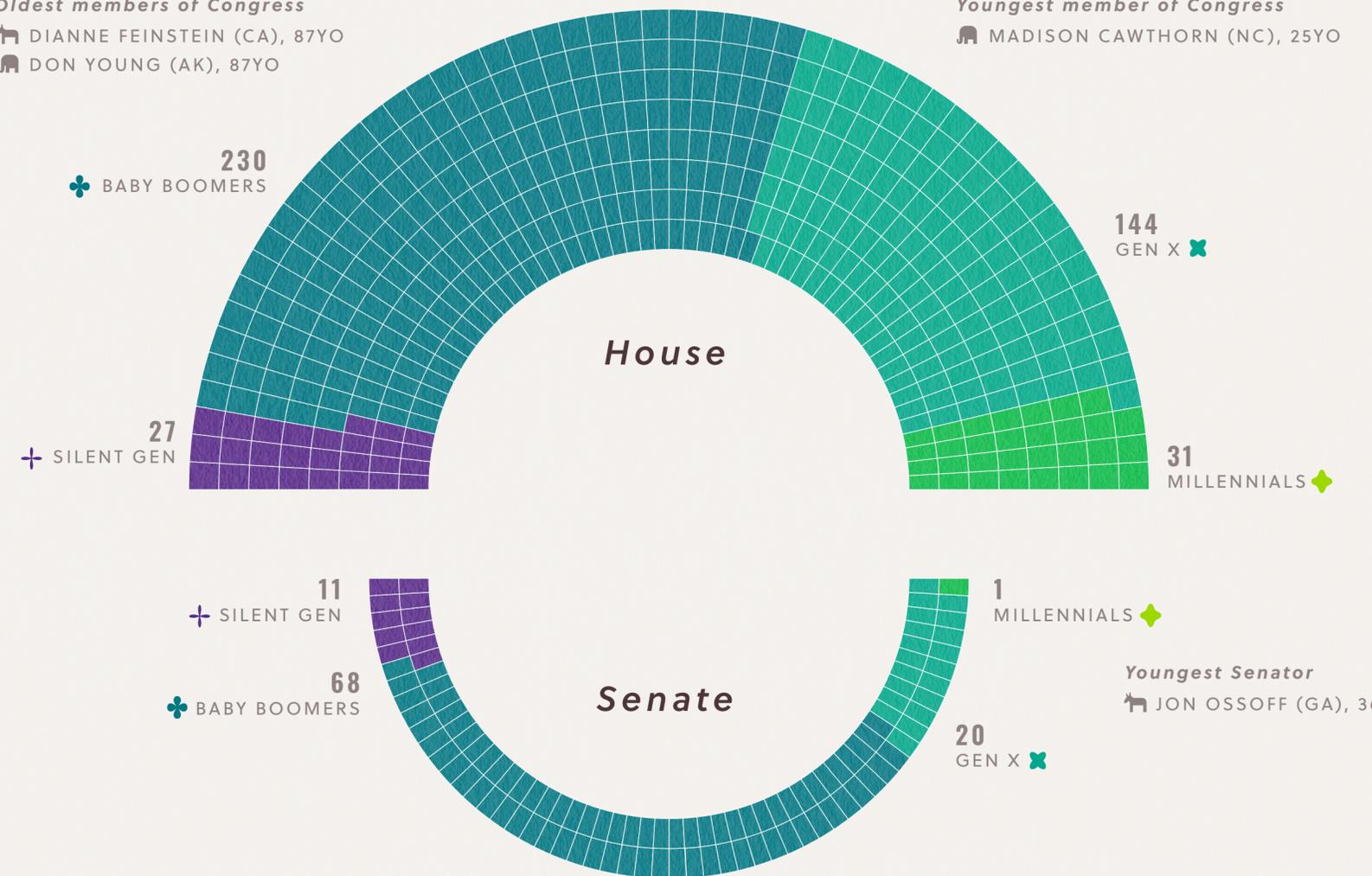
Sources: Pew Research Center, Brookings

Oldest members of Congress

- 🐘 DIANNE FEINSTEIN (CA), 87YO
- 🐘 DON YOUNG (AK), 87YO

Youngest member of Congress

- 🐘 MADISON CAWTHORN (NC), 25YO

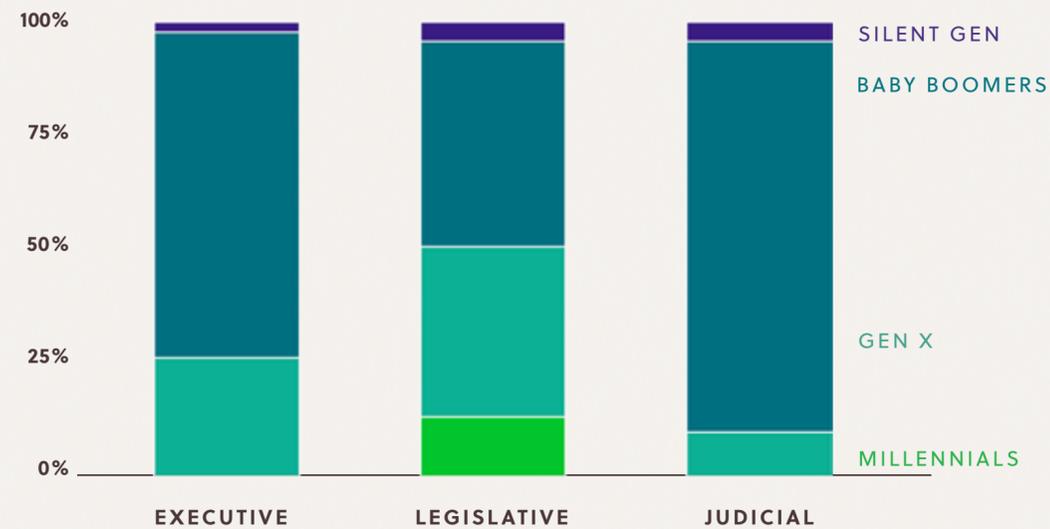


Youngest Senator  
🐘 JON OSSOFF (GA), 36YO

# BALANCE OF POWER STATE VS FEDERAL

*Here's a closer look at each generation's power, at the state versus federal level of government.*

## State power breakdown



At the state level, the legislative branch shows the most generational diversity, with Millennials accounting for 13%.

These charts show the generational breakdown in three different branches of government—executive, legislative, and judicial.

## Federal power breakdown



Federally, the executive branch skews the youngest—38% are Gen X or younger.

Pete Buttigieg is the only Millennial on the federal cabinet, and is the first openly LGBTQ+ cabinet member in U.S. history.

## The different branches of government



### EXECUTIVE

e.g. The President's Cabinet and state governors, etc.



### LEGISLATIVE

e.g. Members of House of Representatives and Senate, etc.



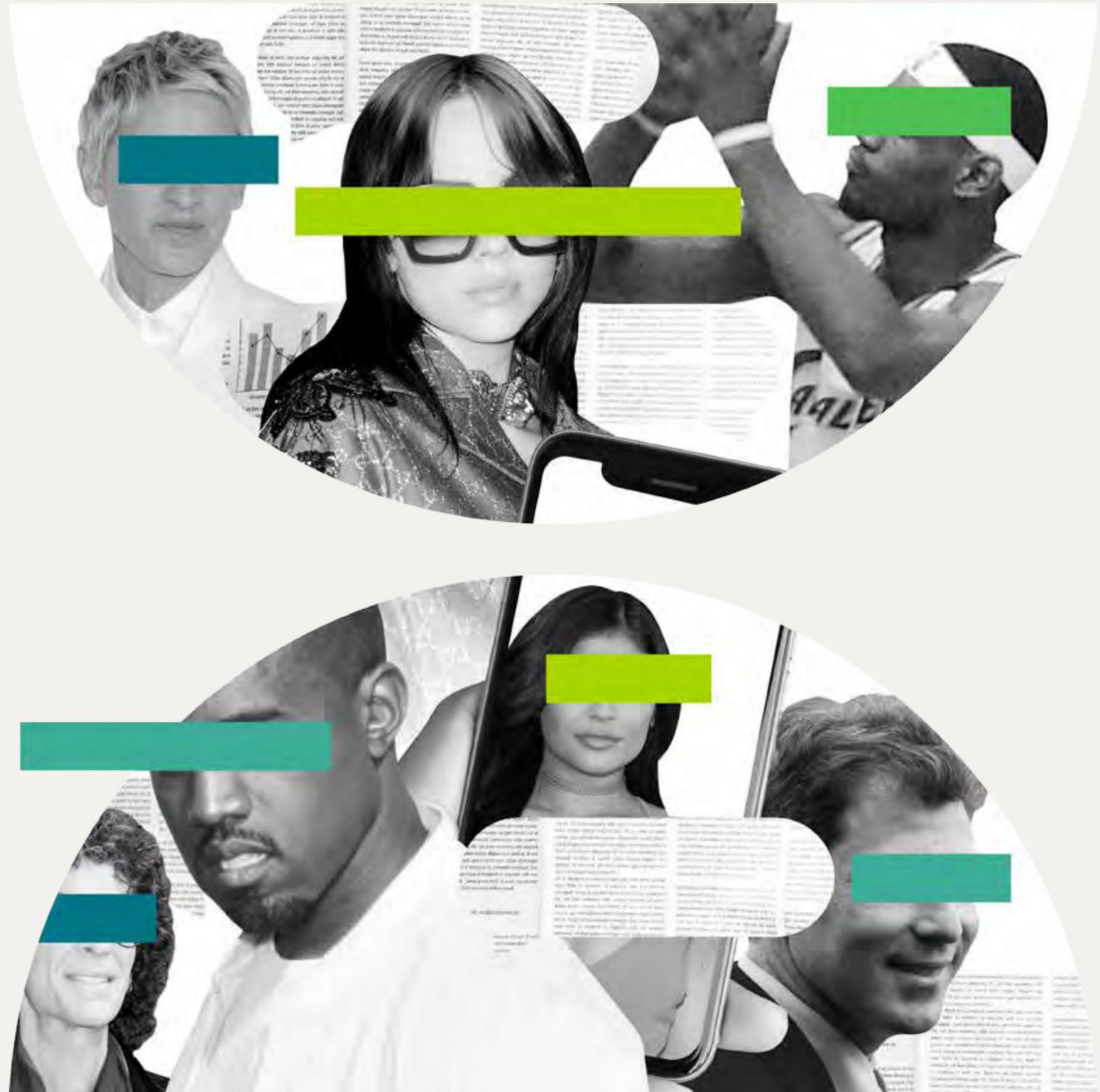
### JUDICIAL

e.g. U.S. Supreme Court Justices, etc.



# CULTURAL POWER

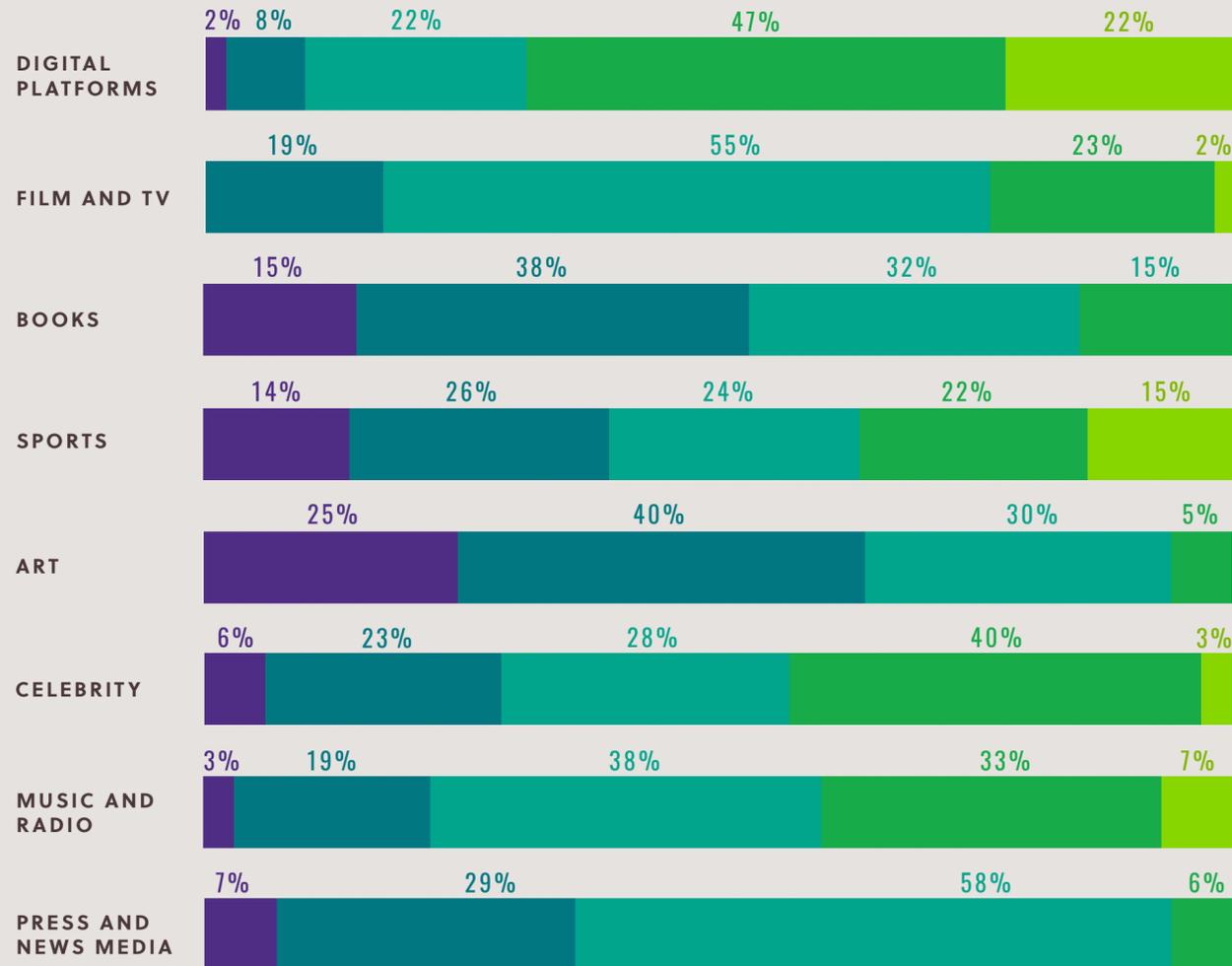
In the smartphone era, the pathway to cultural influence looks a lot different than it did a few decades ago.



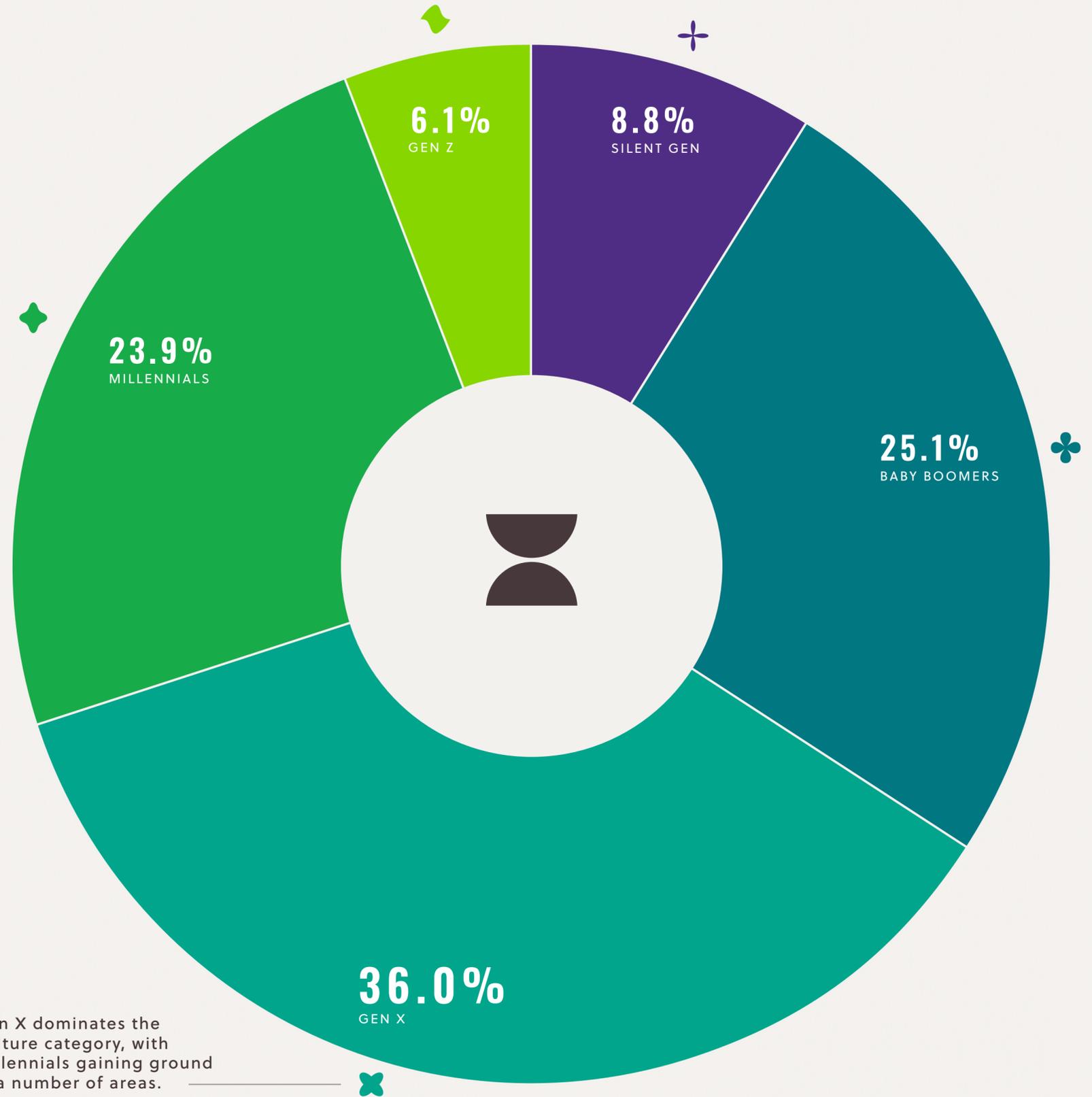


# CULTURAL POWER

## Cultural variables by generation



Note: Percentages may not total 100 due to rounding.



Gen X dominates the Culture category, with Millennials gaining ground in a number of areas.

# CULTURAL POWER

## IN THE DIGITAL AGE

***Gen X rules the cultural kingdom for now. But this generation falls short in one critical category—digital.***

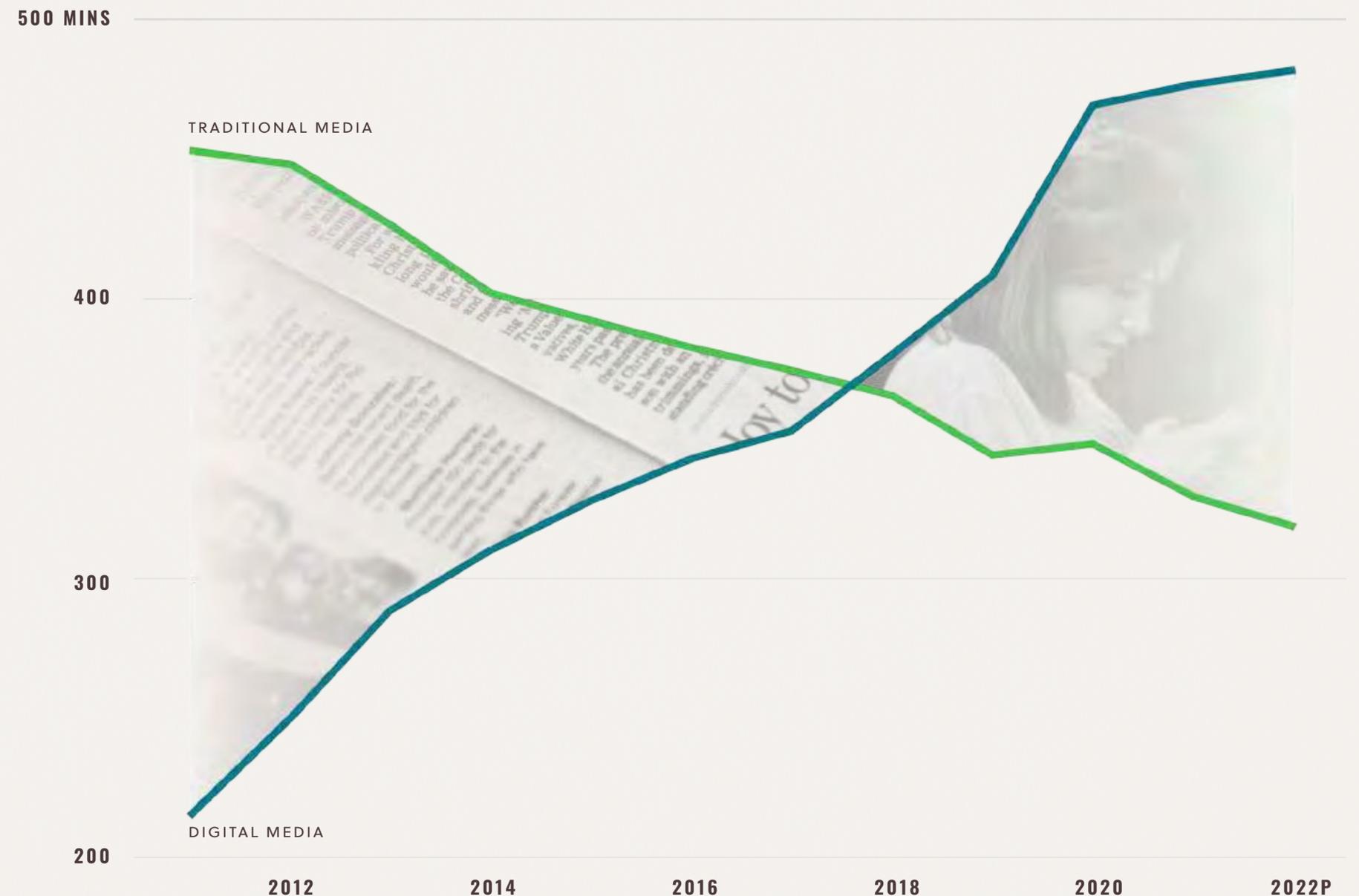
Digital media is becoming an increasingly important part of day-to-day life for many U.S. consumers—in 2020, Americans spent almost 8 hours a day on their connected devices, an hour more than they did in 2019.

This shift from traditional to digital media could have far-reaching consequences on the ways that culture is cultivated. It could transform the public sphere, redefine the notion of celebrity, and completely abolish traditional gatekeepers, who used to decide which cultural narratives were worth listening to.

With all these changes set in motion, culture as we know it has reached a critical juncture. Gen X's digital shortcomings could cost them their cultural dominance in the near future.

Source: eMarketer, Statista

*Time spent per day with digital vs traditional media in the U.S.*





# THE FLOODGATES ARE OPEN REDEFINING CELEBRITY

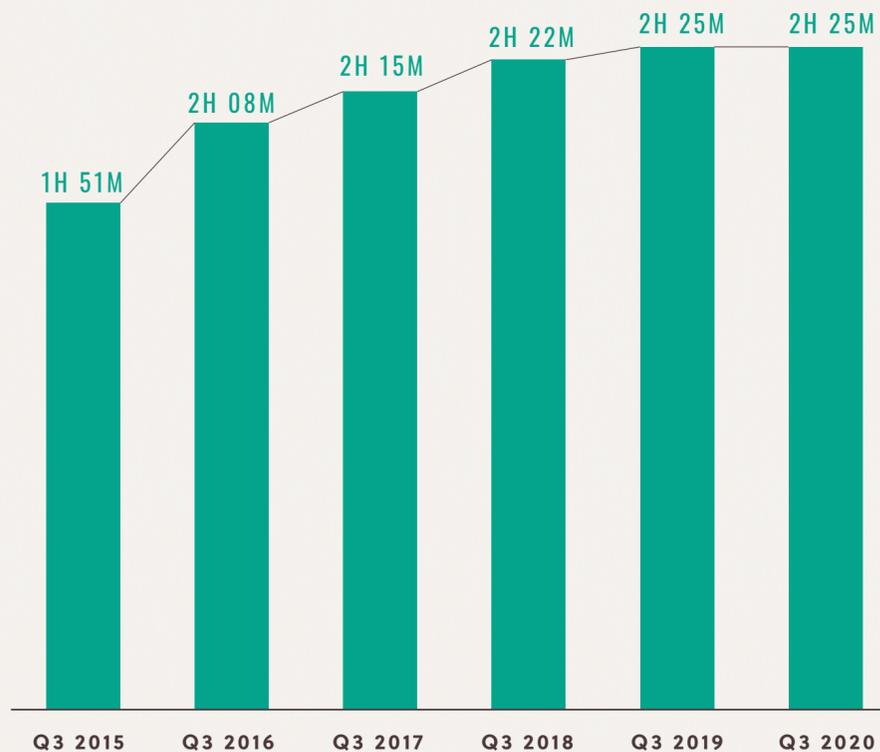
*Currently, many of social media's most popular people are also conventional celebrities.*

From soccer players to pop icons, these types of social media stars use their online platforms as supplemental avenues for self-promotion. In other words, social media isn't their primary source of cultural influence.

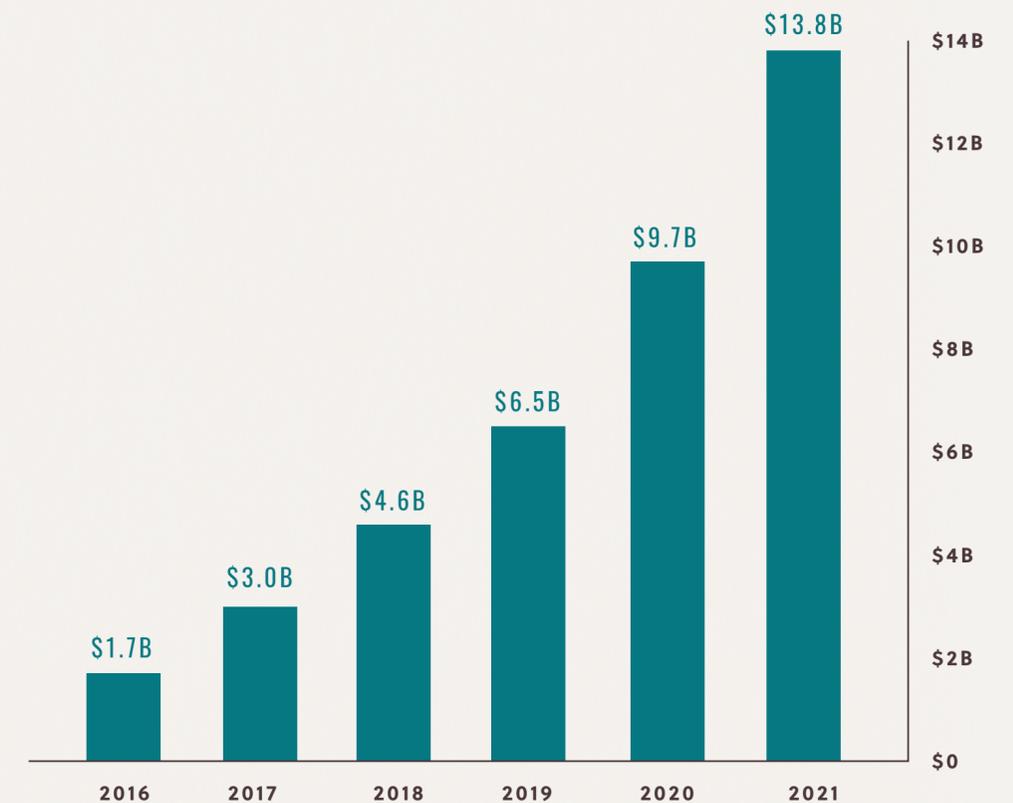
But other social media icons have risen to fame exclusively through their online channels—people like Swedish YouTuber PewDiePie, or seven-year-old vlogger Nastya, have gained online traction solely through self-published content.

Why is this important? Because as consumers spend more time on social media, marketers spend more money trying to grab their attention. Whether someone is a conventional celebrity or YouTuber makes no difference, so long as they're a viable pathway to a brand's target demographic.

Daily time spent using social media  
Global



Estimated influencer marketing spend  
Global

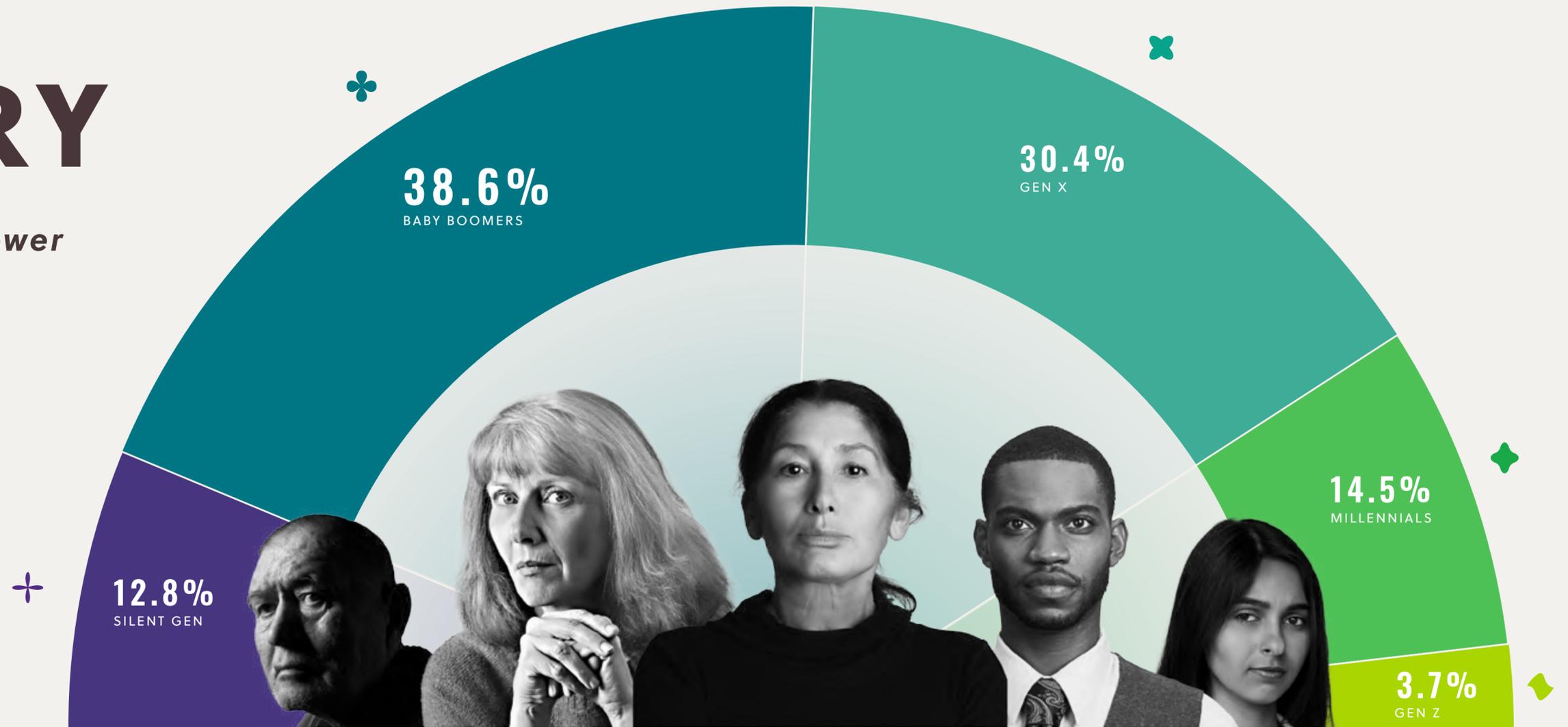




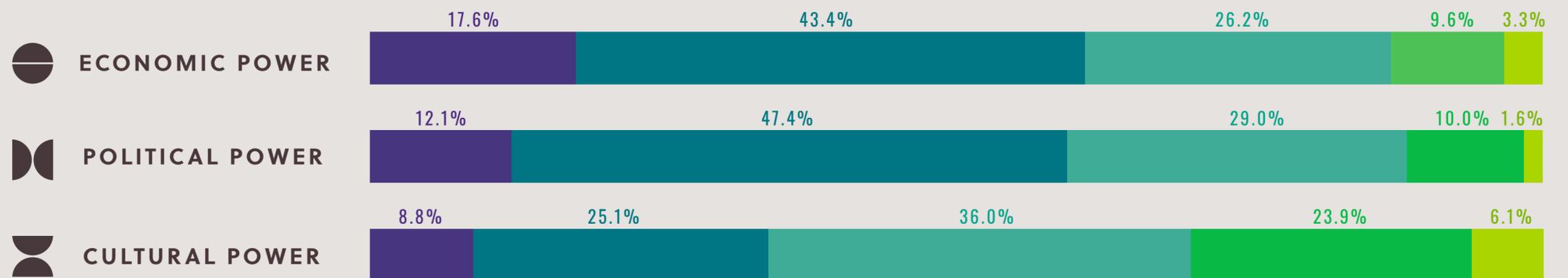
# SUMMARY

**Baby Boomers wield the most power of any generation—for now.**

As wealth is passed on to children, younger generations move into political positions, and digital media continues to gain ground, the power dynamic is constantly shifting. Will it be Gen X or Millennials who eventually move into the top spot?



## The share of power by category

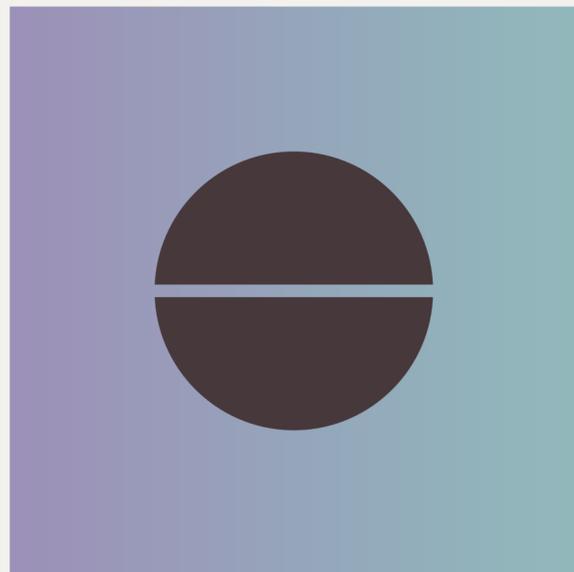


Note: Percentages may not total 100 due to rounding.

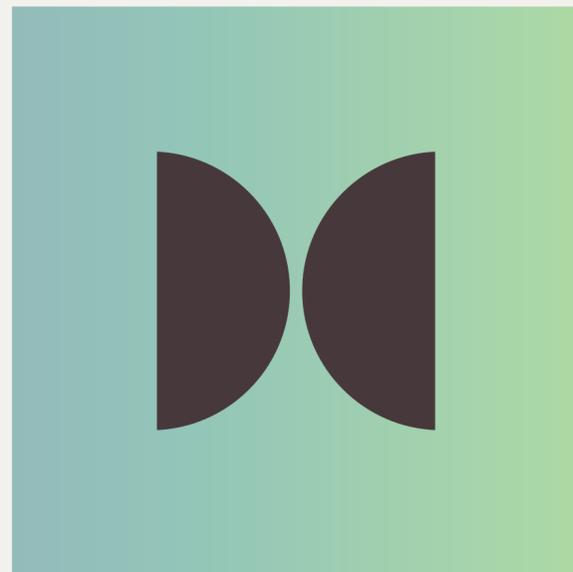


# METHODOLOGY

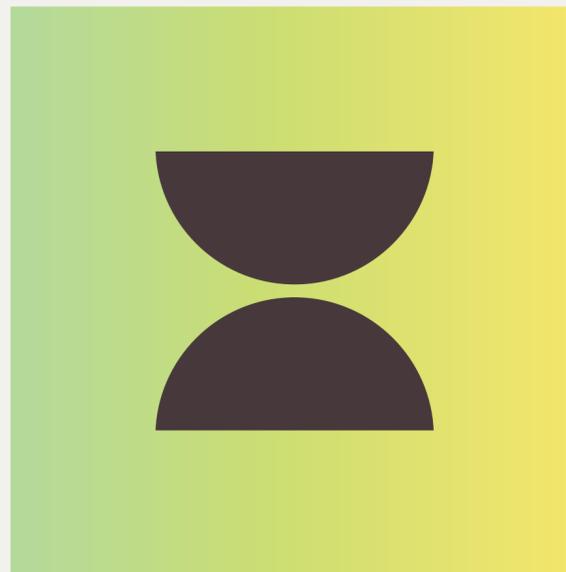
*The Visual Capitalist Generational Power Index (GPI) is designed to measure the amount of influence each generation has over society. We divided power into 3 key categories:*



ECONOMIC



POLITICS



CULTURE

To build the generational power breakdown for each of these variables, our team collected the latest available data during March-April 2021. All of the data we gathered is from publicly available sources, such as government websites and industry rankings.

Geographically, our data is primarily U.S. based. Global data was used for metrics we determined to have cross-border reach, such as social media influencers. It was also used in certain instances where U.S. data was not available.

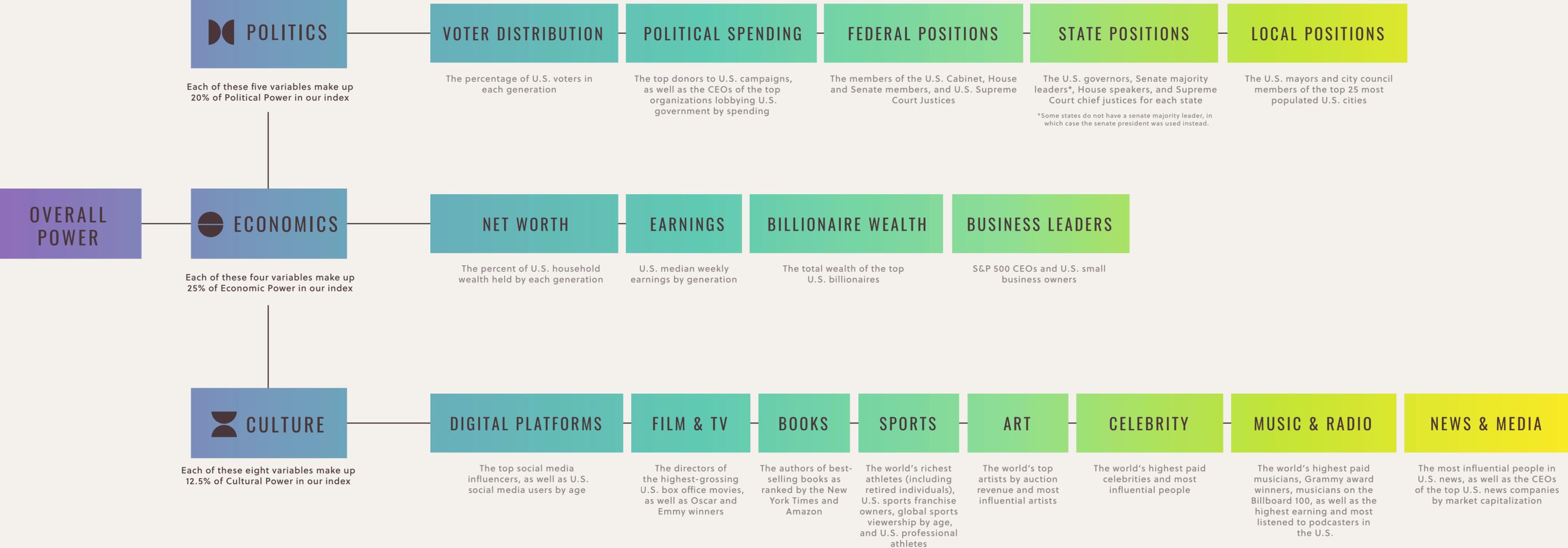
## *How we defined generations*

Generational definitions are not universal. Since our report primarily uses U.S. data, we used the most-widely cited Western definitions used by institutions such as the Pew Research Center and the U.S. Federal Reserve.

However, it's worth noting that other definitions exist. This is particularly evident in Eastern countries that have faced different political, socioeconomic, and cultural events.

# METHODOLOGY

**How we calculated power**  
 A number of equally-weighted variables feed into the three categories of Cultural, Political, and Economic Power.





# METHODOLOGY

## *How we handled data anomalies*

If we were not able to find the age of a person, they were excluded from our calculations. For groups that made industry ranking lists, we took the average age of the group's members to determine their generation.

Deceased people were included in cultural calculations as their work "lives on", but were replaced by their surviving spouse for other categories such as political spending. If individuals were on multiple lists, such as highest earning and most listened to podcasters, we included them in both calculations as each is a distinct form of power.

Lastly, for age-based data that didn't match up with our generational definitions, we took a weighted average of the relevant age brackets. Here's an example for weekly earnings:

| AGE BRACKET FROM SOURCE | MEDIAN WEEKLY EARNINGS FROM SOURCE | GENERATION AGE BRACKET FOR GPI | MEDIAN WEEKLY EARNINGS FOR GPI                         |
|-------------------------|------------------------------------|--------------------------------|--|
| 25-34                   | \$909                              | Millennials, aged 25-40        | \$972<br>(909 x 10/16 years<br>+ \$1,078 x 6/16 years) |
| 35-44                   | \$1,078                            |                                |  |

## *How you can contribute*

This inaugural version of the GPI is a starting place that we look forward to building upon in the coming years. If you have data or ideas that you believe would be helpful for measuring generational power in future versions, please email us at [info@visualcapitalist.com](mailto:info@visualcapitalist.com).



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A special thank you to the team members who helped fact check, research, design, organize, and much more in the production of the first annual Generational Power Index Report, as well as the rest of the ever-growing Visual Capitalist team for their support during its creation.



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Our content focuses on topics including markets, technology, energy, and the global economy, and has been featured by Forbes, World Economic Forum, Business Insider, The Wall Street Journal, The New York Times and more.

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# GENERATIONAL POWER INDEX

