

The Business Case for Equity: Executive Summary



Whether we were born here or chose to make this place our home, **most of us want to see Arkansas become a thriving, prosperous state.**

When nearly half of all households in Arkansas are ALICE (Asset-Limited, Income-Constrained, Employed), our potential for broad prosperity is severely constrained. And when wide disparities in health, earnings, wealth, homeownership, incarceration, and other life outcomes remain starkly uneven — determined by race, ethnicity and zip code — we all experience restrictions on our freedoms and opportunities to prosper.

41% of Arkansans are struggling to make ends meet

Addressing these disparities isn't just the right thing to do; it's how we will **grow the Arkansas economy** in the future. Equity of opportunity will create a stronger workforce and customer base and a better fiscal outlook when Arkansas is aging and historically disadvantaged groups are sustaining the state's population growth. **By 2050, when today's children are in their prime working years, there will be only 2.4 Arkansans of working age for every one of retirement age.**

If economic equity were achieved and all households earned at least the minimum to make ends meet:



TOTAL ANNUAL INCOME IN THE STATE WOULD BE

\$8.7 BILLION HIGHER

By 2050, GDP would be

\$23 BILLION HIGHER

THE STATE BUDGET WOULD GAIN

\$2.5 BILLION

per year through increased tax revenues (\$889 million increase)

AND DECREASE SPENDING ON



Medicaid (\$1.35 billion savings)



corrections (\$127 million savings)



and income assistance (\$162 million savings)



Arkansas businesses would be supported by **\$6.6 BILLION** more in annual consumer spending power.

We all want Arkansas to be prosperous. By choosing policies and practices that remove barriers to progress for every Arkansan, we will create a higher standard of living for us all.

Equity is the path to unlocking Arkansas's potential. It's a boon for business, it's the responsibility of government, and it's a win for Arkansans.