

## Macro Roundup Article

**Headline:** [The Defining Economic Issue of the US Election](#)

**Article Link:** <https://www.project-syndicate.org/commentary/elevated-price-levels-defining-economic-problem-us-presidential-election-by-stephen-s-roach-2024-06>

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**Tweet:** Despite slowing inflation, @SROach\_econ notes that the May 2024 CPI is currently 20% above its January 2021 level, and 15pp higher than its pre-COVID trajectory of 1.5% annual inflation.

**Summary:** The near-complete recovery from the inflation shock of 2021-23 contrasts sharply with the still-elevated price level. Therein lies the political problem for Biden: notwithstanding recent disinflation, the headline CPI in May was still fully 20% above its level in January 2021, when he took office. A back-of-the-envelope estimate suggests that, as of May, the aggregate price level, measured by headline CPI, is fully 15 percentage points higher than it would have been had the CPI maintained its 1.5% pre-COVID trajectory.

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**Primary Topic:** Inflation

**Topics:** Business Cycle, GDP, Inflation, Op-Ed/Blog Post

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