

Macro Roundup Article

Headline: [Does Inflation Disproportionately Hurt the Poor?](#)

Article Link: <https://www.nytimes.com/2022/11/29/opinion/inflation-poor-income-inequality.html>

Author(s)	Paul Krugman
Publication	Krugman Wonks Out
Publication Date	November 30, 2022

Tweet: [.@PaulKrugman suggests that wage growth for lower-income families has more than offset inflation, even accounting for their higher food and energy consumption.](#)

Summary: The labor economist Arindrajit Dube has estimated hourly wage changes — by decile rather than quartile — over a longer period since the beginning of the pandemic recession. He finds that real wages for the bottom 40 percent of workers have increased. Lower-income families spend a higher than average share of their income on food and energy, which are also the categories that have seen the most inflation recently. My rough calculations suggest that even when you take these food and energy costs into account, lower-income families have done better, not worse, than others, at least in terms of inflation's effects. But it does lessen that difference somewhat.

Primary Topic: Inflation

Topics: Database, Inflation, Wages/Income

Permalink: <https://www.edwardconard.com/macro-roundup/paulkrugman-suggests-that-wage-growth-for-lower-income-families-has-more-than-offset-inflation-even-accounting-for-their-higher-food-and-energy-consumption?view=detail>

Featured Image

Link: <https://www.edwardconard.com/wp-content/uploads/2022/11/11.30.22-Krugman.jpg>