

Macro Roundup Article

Headline: [Housing and the American Worker](#)

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Tweet: In 2019, urban wages for workers with a high school degree or less failed to offset higher urban housing costs, reversing a long-term trend. @stanveuger suggests loosening restrictions on housing construction to "reignite the urban growth machine."

Summary: The figure shows the evolution over the past half-century of hourly wages net of spending on housing. The figure consists of five snapshots, roughly a decade apart. Each snapshot shows the relationship between population density in 1970 and "net" hourly wages] for workers with and without (some) college education. [In the] snapshot for 1970, we observe what is often referred to as "the urban wage premium" - wages accounting for the cost of housing, were dramatically higher in high-density places than in low-density areas for workers with at least some college education and those without. The scale for the vertical axis is logarithmic: an increase from 2.5 to 2.8 corresponds to an increase of about 35% in dollar terms. As we move toward the present, this pattern gradually shifts. While college workers continue to earn a significant urban wage premium, even after housing is taken into account, that is not the case for those with a high school degree or less.

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Primary Topic: Housing

Topics: Database, GDP, Housing, Important!, Op-Ed/Blog Post, Politics, Weekly

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