

Macro Roundup Article

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

Article Link: <https://eig.org/wp-content/uploads/2024/07/TAWP-Veuger.pdf>

Author(s)	Stan Veuger
Publication	Economic Innovation Group
Publication Date	July 24, 2024

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.

Related Articles: The Determinants Of Declining Internal Migration and Young Families Have Continued Leaving Big Cities Post-Pandemic and The Economics of Inequality in High-Wage Economies

Primary Topic: Housing

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

Permalink: <https://www.edwardconard.com/macro-roundup/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-cons?view=detail>

Featured Image Link: <https://www.edwardconard.com/wp-content/uploads/2024/07/22511-housing-and-the-american-worker-featured-thumbnail-image.png>