

Macro Roundup Article

Headline: [Are You Better Off Than You Were Four Years Ago?](#)

Article Link: <https://economistwritingeveryday.com/2023/11/29/are-you-better-off-than-you-were-four-years-ago/>

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| Publication | Economist Writing Every Day |
| Publication Date | November 29, 2023 |

Tweet: "Are you better off than you were four years ago?" @jmhorp finds that PCE-adjusted average wages for nonsupervisory workers are up 5% since Jan. 2020. By Nov. 2024, he expects average real wages to be up 4% vs. the start the Biden administration.

Summary: The data are quite clear: over the past 4 years, inflation-adjusted wages are up! This is also true if you start roughly right before the pandemic (December 2019 or January 2020 or thereabouts). And not only are inflation-adjusted wages up, they are up roughly the same amount as they were in the years before the pandemic. CPI-adjusted wages are a touch below: about 3% growth over 4 years, versus roughly 4% from 2015-2019. But PCE-adjusted wages are right on track, at around 5% cumulative 4-year growth. It's true right now that if we start the data in January 2021, at the beginning of the Biden Presidency, CPI-adjusted wages are down slightly: about 1%. But PCE-adjusted wages are up slightly: also about 1%. But unless there is a major reversal of the trajectory of either wage or price growth, by next year these will both be positive (even if only slightly). Related: Have Workers Gotten A Raise? and Are Real Wages Rising? and The Unexpected Compression: Competition at Work in the Low Wage Labor Market

Primary Topic: Business Cycle

Topics: Business Cycle, GDP, Inflation, Op-Ed/Blog Post, Wages/Income, Weekly, Workforce

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