

Which offer is better?



\$500,000

Bolivia

\$ 1 Million Bolivianos

\$2 Million

Colombia

\$500,000 Pesos

**Real Wage: half a
basket**

**Real Wage: one
full basket**

Which offer is better?

Colombia

\$500,000 Pesos



**Real Wage: one
full basket**

Bolivia

\$1Million Bolivianos



**Real Wage: half a
basket**



Price index

ONE number that represents all prices
for a given period of time
