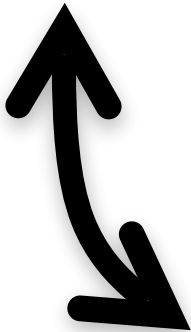






Wages and Prices move together: When prices increase, wages increase

Wages





Prices



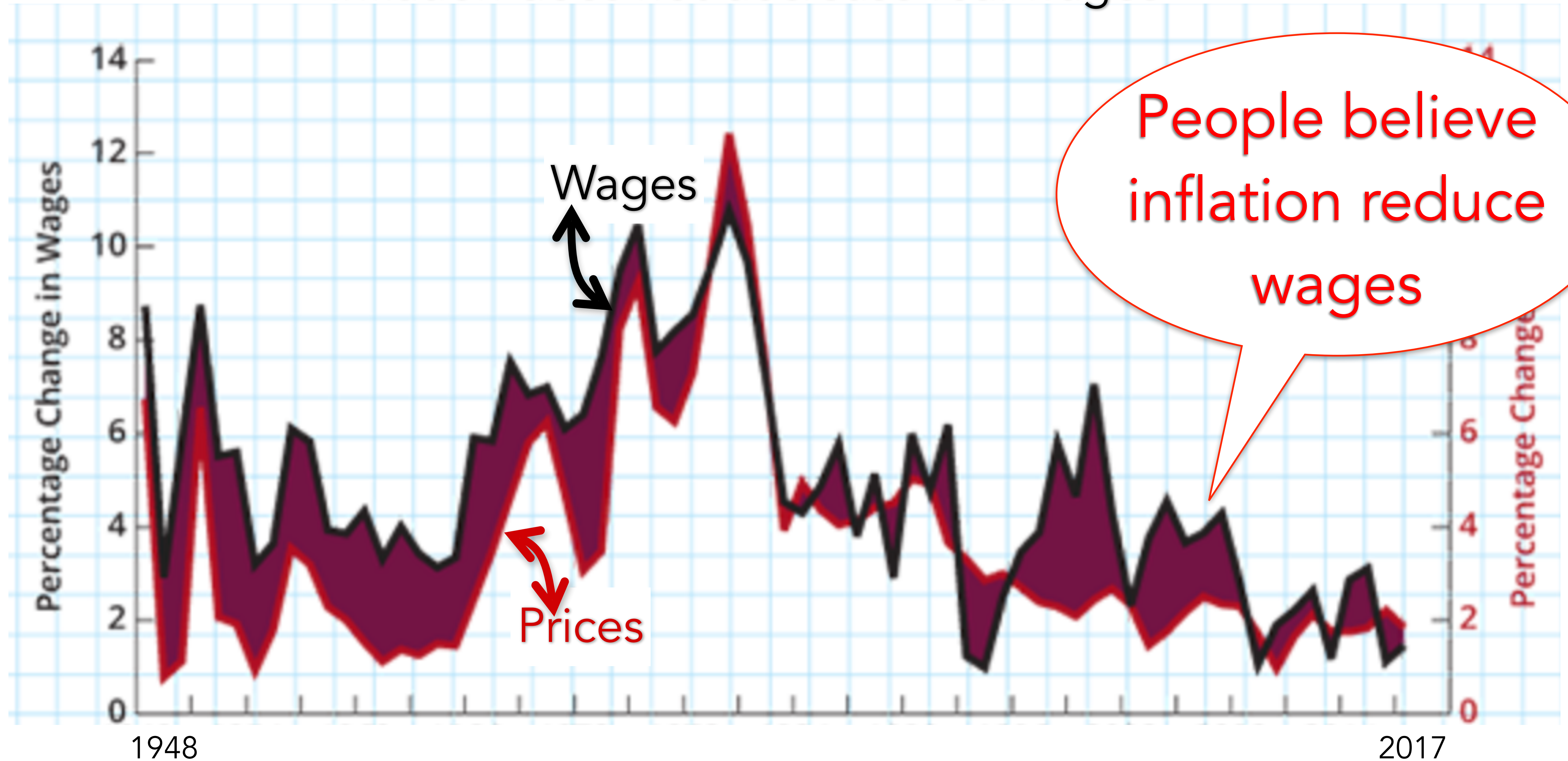
People believe
inflation reduce
wages

Inflation does not decrease **real** wages

1948

2017

Inflation does not decrease **real** wages



Wages and **Prices** move together: When prices increase, wages increase

Employers should compensate workers for: