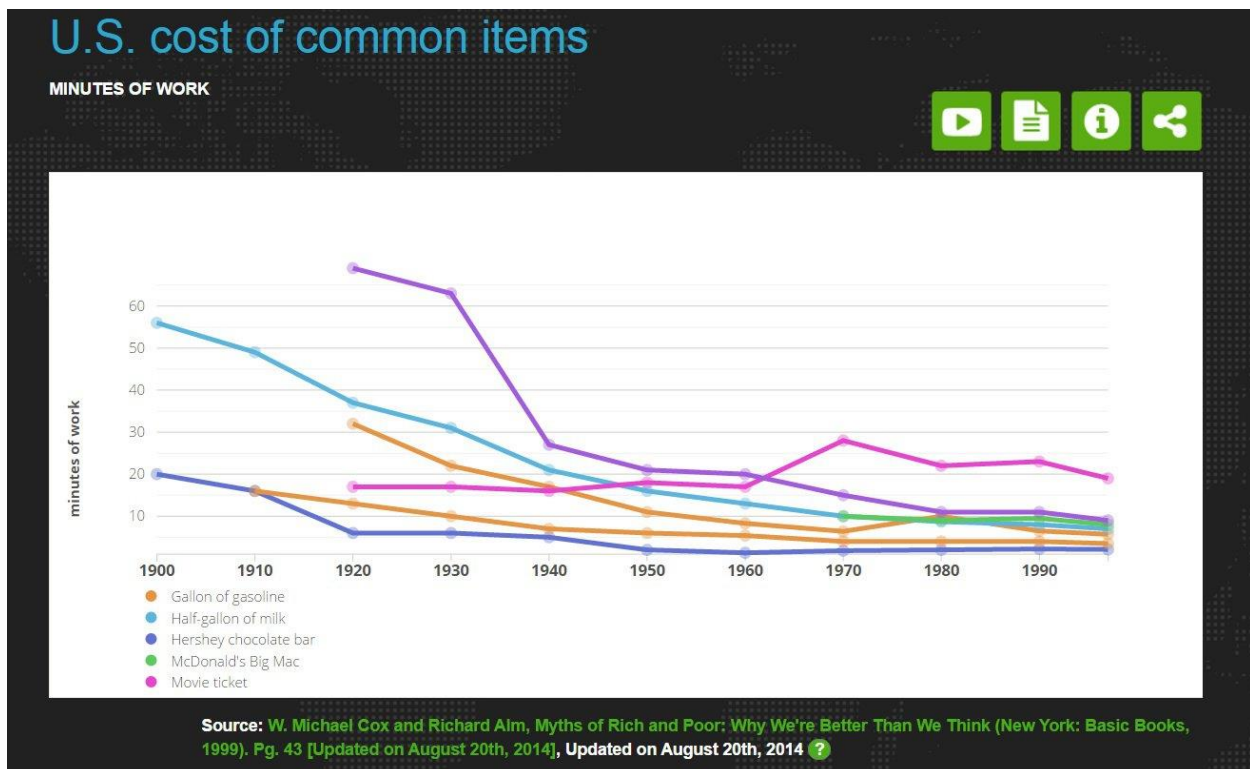




## Chart: US living standards getting better all the time

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November 2, 2015



A really neat chart from Cato's HumanProgress.org site on the decreasing number of hours it takes to purchase some key items. (Don't tell the inflationists who think the past century of progress was nothing more than a fiat-money conjured illusion.) Now toss in the modern digital economy, and you see why there is a lively debate over claims that living standards are stagnant. And, again, this from Martin Feldstein:

Indeed, the US government does not count the value created by Internet services like Google and Facebook as income at all, because these services are not purchased. No one knows how much such product innovations and improvements have added to our wellbeing. But if the gains have

been worth just 1% a year, over the past 30 years that would cumulate to a gain of 35%. And combining that with the CBO estimate of a gain of about 50% would imply that the real income of the median household is up nearly 2.5% a year over the past 30 years.