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Fact Check: Fact Checking Biden's Recent Claims about Wage Growth, Inflation

Anna Mock and Christine Sellers

February 23, 2024

In a Feb. 13 post [shared on X](#), President Joe Biden claimed wage growth “has been the strongest of any economic recovery in 50 years” and inflation has “declined two-thirds from its peak.”

There is dispute that wage growth is the strongest in 50 years. Conversely, both data and comments from two experts indicate inflation has, in fact, declined two-thirds from its peak of 9.1% in June 2022.

Biden's X post claims wage growth is strong while inflation has declined significantly. The president has also consistently touted job growth in recent months, suggesting it was “proof” the economy was “the strongest in the world,” according to [The Guardian](#).

In the first part of his post, Biden claims wage growth “has been the strongest of any economic recovery in 50 years.”

The claim is unsubstantiated. [Jai Kedia](#), a research fellow of monetary economics and macro-finance at the libertarian Cato Institute, told Check Your Fact via email that the claim is “nonsensical.”

“Firstly, the US is not in an ‘economic recovery.’ There is no recent recession from which the economy is rebounding. The economy had already reverted to its trend following the Covid pandemic. The [National Bureau of Economic Research, or NBER] has not registered a recession since Q2 2020,” Kedia said.

Kedia directed Check Your Fact to [data](#) from the U.S. Bureau of Labor Statistics, showing that hourly wages increased sharply mid-pandemic. March 2020 shows 28.55, which jumped to 30.01 in April 2020. In June 2020, the number went back down to 29.38, and has since increased steadily with no significant jumps. Kedia believes wages are growing at “their usual trend.”

“There is nothing about the growth rate that suggests above average performance. Since the President did not provide any direct sources or numbers, it's hard to understand where he is drawing his conclusions regarding wage growth from,” he said.

When measured as real weekly earnings as opposed to hourly, the increase has not been significant, with wages going up 0.8% year-over-year in November and 0.7% in December, according to [NewsNation](#). Inflation outpaced wage growth for most of Biden's presidency—April

2021 to April 2023—until May 2023 when inflation eased and the job market improved, the outlet reports.

Two other experts believe the claim to be accurate, however. Kasey Buckles, economics professor at University of Notre Dame, said that the wages claim appears to be true for the last 25 years, citing a chart from the Federal Reserve Bank of Atlanta. The chart shows hourly data of median wage growth. It started with 4.5% in March 1997 and peaked at 6.7% in June 2022, before decreasing to 5.0% in January 2024.

Arindrajit Dube, associate professor at University of Massachusetts Amherst, told Check Your Fact via email that both of Biden’s “claims are consistent with my understanding of the data.”

A White House spokesperson directed Check Your Fact to a Feb. 13 tweet from Daniel Hornung, the Deputy Director of the National Economic Council.

“With recent revisions and today’s report, we can now say that we have seen the strongest inflation-adjusted wage growth of any business cycle in over 50 years,” Hornung tweeted.

In the second part of his Feb. 13 tweet, Biden claimed inflation has “declined two-thirds from its peak.”

This claim appears to be true. Data from Statista comparing wage growth versus inflation from 2020 to 2024 places inflation at 1.2% in November 2020, the month Biden was elected. Inflation peaked at 9.1% before seasonal adjustment in June 2022, or the “largest 12-month increase since November 1981.” After hitting its peak, inflation decreased to 3.1% in November 2023.

The 9.1% peak inflation in June 2022 was caused largely by “a big jump in gasoline prices,” according to the Wall Street Journal.

The same data from Statista shows a slight increase in inflation from 3.1% in November 2023 to 3.4% in December 2023 followed by a small drop back to 3.1% in January 2024.

Similarly, a Feb. 13 news release from the U.S. Department of Labor and the Bureau of Labor Statistics (BLS) indicates the Consumer Price Index for All Urban Consumers (CPI-U) “increased 0.3% in January on a seasonally adjusted basis, after rising 0.2% in December.”

In comparison to the previous year, the CPI-U increased 0.5% on a seasonally adjusted basis in January 2023 and increased 0.4% on a seasonally adjusted basis in February 2023, according to the same release. In addition, the all-items index “increased 3.1% before seasonal adjustment” over the last year. A spokesperson for the BLS directed Check Your Fact to the Feb. 13 news release.

BLS’ recent CPI-U data was shared in the New York Times’ January Inflation Report on Feb. 13, with the outlet noting that inflation had “cooled less than expected.”

Buckles labeled Biden’s claim as true

“I can confirm that the inflation claim is true. The 12-month inflation rate reached a peak of 9.1% in June of 2022, and it has since fallen to 3.1% in January of 2024. So inflation has in fact

declined two thirds from its peak,” Buckles said, referencing [Statista data](#) that shows the monthly 12-month inflation rate from January 2020 to January 2024.

Kedia offered a slightly different perspective. While Kedia agreed with Biden’s claim that inflation is decreasing, he also pointed out that prices are not falling despite decreasing inflation.

“Regarding inflation—yes inflation has been reducing—but that does not mean *prices* are falling. Less inflation still means rising prices. The average cost of goods and services to the consumers is still much higher than at the start of the President’s term. Using the CPI, the average consumer’s cost of living has increased by almost 18% from January 2021 to January 2024,” Kedia explained.