WHAT GROWTH LEAVES IN THE HOUSEHOLD BUDGET

A RESEARCH MONOGRAPH
AND EMPIRICAL ATLAS

1990
TO
2026
US DATA

INFLATION

AND HOUSEHOLD

PURCHASING POWER

IN THE UNITED STATES

Growth, essential costs, and the budget that remains

DRISS EFFINA

300 PAGES · 24 CHAPTERS · 31-SERIES DATA ATLAS

RESEARCH MONOGRAPH AND EMPIRICAL ATLAS

Inflation and Household Purchasing Power in the United States

Growth, essential costs, and the budget that remains

An empirical investigation using verified public time series, reproducible econometric estimates, and explicit household-budget scenarios.

November 2026 research edition

Scope	Contents
Main study	24 chapters with computed evidence
Technical material	31-series atlas, annual records, horizon diagnostics and methods
Length	300 pages including all front matter and appendices
Data vintage	Retrieved November 2 2026

READER INFORMATION

Publication and research scope

This research edition examines why national economic growth can coexist with household financial pressure. The main monthly calendar is January 1990 through September 2026. Historical files were retrieved on November 2, 2026 and preserved in the companion archive. Quarterly and weekly series retain their own source frequencies.

The manuscript distinguishes observations, exact accounting identities, illustrative scenarios, conditional econometric associations, and retrospective forecasts. It does not claim a causal explanation of voting or a measured distribution of household welfare losses.

The statistical methods are established methods credited in the references. The numerical application and the residual-budget calculations were executed for this manuscript.

All 300 pages include front matter, the 24-chapter study, data atlases, methods, references, and glossary. The appendices are part of the evidence, not additional narrative chapters.

RESULTS IN BRIEF

Abstract

From December 2019 to September 2026, seasonally adjusted consumer prices rose 30.03 percent, while the selected gross weekly employee-earnings proxy rose 37.50 percent. Real weekly earnings consequently increased 5.75 percent. Real disposable income per capita increased 13.09 percent. These national averages reject a universal claim of cumulative purchasing-power decline.

An illustrative fixed essential basket rose 35.75 percent. A residual-budget framework shows how initial commitments and the path of prices and income alter remaining flexibility. At an 80 percent initial committed share, the scenario remainder fell 13.05 percent below baseline in June 2022, then recovered to 11.13 percent above baseline by September 2026. These are conditional scenarios, not population estimates.

A dynamic sentiment model finds negative conditional associations with annual inflation and an anchored price gap, but residual dependence and persistent regressors limit interpretation. Quantile and local-projection results are selective. A one-factor pressure summary correlates weakly with sentiment, and ridge forecasts fail to outperform a zero-change benchmark.

The evidence favors distinguishing accumulated prices, resources, commitments, timing, and distribution over a single growth-versus-inflation verdict. Causal and household-distributional conclusions require stronger identification and linked microdata.

INTERPRETATION GUIDE

How to read the evidence

Label	Meaning
Observed	Downloaded value or published official table entry.
Calculated	A transformation or exact identity using observed inputs.
Scenario	An assumption-driven budget or financing calculation.
Conditional association	A regression estimate without an identified intervention.
Forecast test	Held-out historical prediction using a latest-vintage dataset.
Uncertainty interval	Model-based sampling approximation; not every source of uncertainty.

SA means seasonally adjusted. NSA means not seasonally adjusted. Exact percentage changes and log-percentage changes are labeled separately. Missing values remain missing. A coefficient whose interval includes zero is uncertain; it is not proof of no relationship.

Source keys S01-S08 identify statistical documentation. M01-M07 identify methods. Every series atlas entry supplies its FRED identifier and provider link. Complete machine-readable results accompany the manuscript.

NAVIGATION

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Each chapter contains four analytical sections, a chart with interpretation, and a numerical evidence table.

NAVIGATION

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Each chapter contains four analytical sections, a chart with interpretation, and a numerical evidence table.

NAVIGATION

The empirical and technical appendices

Pages	Material	Purpose
153-214	Series atlas	31 series, two pages each: levels, transformations, coverage and diagnostics.
215-251	Annual evidence atlas	37 yearly records with monthly paths and coverage counts.
252-276	Horizon evidence atlas	25 local-projection horizons, three outcomes each.
277-292	Technical methods	Definitions, formulas, estimation settings and replication.
293-296	References	Primary statistical sources and econometric methods.
297-300	Glossary	Definitions grouped by measurement, modeling, inference and interpretation.

The archive preserves raw downloads, hashes, source notes, transformed data, fitted coefficients, forecast paths, scripts and figure files. It allows a reader to reproduce the numerical claims without extracting values from charts.

RESEARCH FINDINGS

Eight findings to keep in view

Finding	Result
Cumulative CPI SA	+30.03% from December 2019 to September 2026
Real weekly employee proxy	+5.75% over those endpoints
Real income per capita	+13.09% over those endpoints
Essential basket scenario	+35.75% price increase
80% commitment trough	-13.05% real remainder in June 2022
80% commitment endpoint	+11.13% real remainder in September 2026
Pressure factor correlation	-0.115 with sentiment; weak co-movement
Forecast benchmark	Zero-change RMSE 4.177; ridge 4.252

The numbers support a path-dependent and definition-sensitive account. They do not establish universal household losses or causal policy effects.

CHAPTER 01 | THE HOUSEHOLD BEHIND THE GROWTH RATE

An economy can expand while a budget contracts

Real gross domestic product records production across the economy. A household pays its bills from a narrower stream of resources. Connecting those objects requires more than comparing their latest growth rates. It requires deciding whose income is being measured, which prices apply, how many hours are worked, and which obligations can actually be changed. The central question of this book is therefore an accounting question before it is an econometric one: how much command over goods and services remains after the household meets its commitments?

An investment boom can raise output before it raises the disposable income of many families. A gain accruing to shareholders can coexist with a rent increase for workers who own few financial assets. These are logically possible mechanisms, not estimates of their importance in the current episode. The empirical work below measures what national time series can establish and leaves the distributional shares unresolved when the necessary linked household data are absent.

The resulting distinction is useful. Growth can be real, household pressure can be real, and neither observation requires the other to be a statistical mistake. [S02, S04]

Evidence anchor

Measure	Calculated value
Real GDP Q3 2026	+3.37%

Annualized quarter-on-quarter growth, calculated from archived real GDP levels.

CHAPTER 01 | THE HOUSEHOLD BEHIND THE GROWTH RATE

The unit of analysis changes the answer

This book keeps four units separate: the economy, the resident, the employee, and the consumer unit. Real GDP describes the first. Real disposable income per capita approximates resources per resident. Average hourly earnings describe a selected employee population. Consumer Expenditure Survey tables describe consumer units sharing major expenses. None is a substitute for the others.

A household with two earners can experience a different income path from the average worker. A household containing retirees may receive little wage income. Per capita income can rise because income at the top rises. Average hourly wages can rise when lower-paid workers lose their jobs, even if nobody receives a pay increase. These composition effects matter most when labor markets change sharply.

The empirical design consequently uses several denominators. It reports average hourly and weekly purchasing power, real disposable income per capita, and expenditure-to-income ratios from published consumer-unit tables. Agreement among them strengthens a descriptive conclusion. Disagreement is evidence about coverage or distribution, not permission to select whichever series tells the most dramatic story.

Evidence anchor

Measure	Calculated value
Real weekly earnings	+5.75%

December 2019 to September 2026; production and nonsupervisory private employees; CPI SA deflator.

What the book contributes

The contribution is a reproducible set of calculations for a fixed data vintage, combined with an explicit framework for distinguishing purchasing power from remaining budget flexibility. The methods themselves have established precedents. Local projections, quantile regression, ridge regression, principal components, and state-space models are credited to that literature. They become useful here because they answer different parts of a tightly defined household question.

The original calculations include an endpoint accounting decomposition, an illustrative essential-spending index, a residual-budget frontier, conditional dynamic associations, and a forecasting comparison with simple benchmarks. The frontier shows which combinations of income growth and committed expenditure shares preserve the purchasing power of the remaining budget. Its novelty is the particular application and calculation, not a claim to have discovered a new economic law.

Evidence anchor

Measure	Calculated value
Real disposable income per capita	+13.09%

December 2019 to September 2026; the BEA series is already inflation adjusted.

CHAPTER 01 | THE HOUSEHOLD BEHIND THE GROWTH RATE

A disciplined answer to a political question

The eve of an election creates demand for a single verdict on the economy. Household welfare resists that compression. An expanding economy can distribute additional income unevenly; an improving annual inflation rate can leave the accumulated price level high; a positive real hourly wage change can be partly offset by fewer paid hours. Each statement points toward a measurable channel.

The book does not estimate voting behavior or assign electoral responsibility. No individual voting records, political panel, or plausibly exogenous policy experiment enter the empirical sample. Statements about public frustration are motivation for the research, not dependent variables silently replaced by a sentiment index. The national consumer-sentiment series measures survey responses about economic conditions; it does not measure the vote.

The research standard remains the same across administrations. Define the outcome, preserve the calendar, verify the units, expose uncertainty, and test a simple alternative. A conclusion that survives those steps is more useful than a large coefficient produced by a model whose interpretation changes whenever the political story changes.

Evidence anchor

Measure	Calculated value
Sentiment endpoint	48.1

September 2026 in the archived monthly series, compared with 99.3 in December 2019.

CHAPTER 01 | GRAPHICAL EVIDENCE

The measured pattern

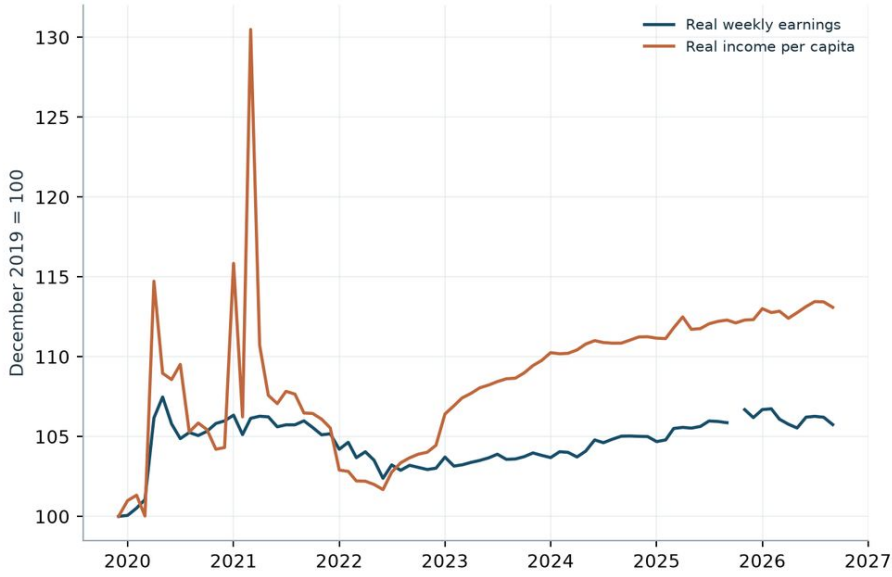


Figure 1. Real resource measures rebased to December 2019. These are different populations and concepts.

The endpoint evidence rejects a blanket claim that average employee purchasing power fell throughout the expansion. From December 2019 to September 2026, the selected real weekly earnings proxy rose 5.75 percent and real disposable income per capita rose 13.09 percent. Meanwhile, sentiment fell from 99.3 to 48.1. Those movements establish a divergence among measured aggregates. They do not identify the distribution of household gains or the cause of the sentiment decline.

Source: author calculations from the archived series. Definitions, samples and complete estimates appear in the technical appendices.

CHAPTER 01 | EVIDENCE AND INTERPRETATION

The numerical result

Measure	Baseline	Endpoint	Change %
CPIAUCSL	258.63	336.30	30.03
nom_week	801.36	1,101.88	37.50
real_week	309.85	327.65	5.75
A229RX0	47,334.00	53,529.00	13.09

The empirical question becomes more precise after this comparison. The task is to explain why improved aggregate resource measures can coexist with weak assessments and episodes of constrained spending. The book's remaining-budget scenarios supply one conditional mechanism, while the dynamic models test whether national price and labor-market variables describe additional variation. A universal-loss narrative would misstate the downloaded evidence.

Baseline is December 2019; endpoint is September 2026. CPI SA is used for the main cross-month comparison. Series identifiers are listed in the atlas.

END OF FREE EXCERPT

CONTINUE WITH THE FULL 300-PAGE EDITION

The excerpt covers the front matter and Chapter 1. The full edition adds Chapters 2 to 24, the 31-series data atlas, the annual and horizon evidence atlases, methods, references and glossary.

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