

The Cost of... Bidenomics

ASSESSING BIDENFLATION'S IMPACT ON FAMILIES

The House Budget Committee's "The Cost Of..." series breaks down the fiscal impact of Washington policies, giving context and analysis to how legislative and executive branch actions influence our exploding national debt, which now exceeds \$33 trillion. A subset of this series, The Cost Of.. Bidenomics, focuses on the fiscal and economic consequences of President Biden's economic policies. This document details how Bidenomics has created a cost-of-living crisis through decades-high inflation and declining wages.

PRESENTING THE PROBLEM

On March 11, 2021, with the economy already well into a recovery, President Biden signed into law the American Rescue Plan (ARP), a nearly [\\$2 trillion](#) deficit-financed stimulus package that initiated the worst inflationary environment in 40 years.

The current rate of inflation remains over double what it was before the Biden Administration and core inflation remains triple its pre-Biden level. Worse yet, the cumulative level of inflation has reached [17.1 percent](#) under this presidency. This reflects the myriad price increases that have become “baked in” for consumers and resulted in a permanent decline in the purchasing power of the U.S. dollar.

Due to Bidenflation, a family of four is paying an additional ***\$15,133 per year, or \$1,261 per month***, to purchase the same goods and services compared to when President Biden took office. These failed Bidenomics policies are crushing hardworking families and decimating the future of so many in America.

COUNTING THE COST

Higher Prices, Smaller Portions:

President Biden loves to relate issues to “[kitchen](#) [or [dinner](#)] table” discussions when defending his policies, but he fails to address how much more expensive his policies have made it to put food on those very tables. Here’s a quick breakdown of [how much prices have increased](#) since he took office:

- **Egg** prices are up 21.2 percent
- **Butter, fats and oil** prices are up 32.0 percent
- **Cereal and grain** prices are up 23.5 percent
- **Beef** prices are up 21.9 percent
- **Poultry** prices are up 25.0 percent
- **Milk** prices are up 15.3 percent
- **Bakery** prices are up 26.5 percent
- **Fruit and vegetable** prices are up 14.1 percent
- **Pork** prices are up 15.3 percent
- **Fish and seafood** prices are up 12.5 percent



Unaffordable Energy:

President Biden's debilitating energy policies - such as cancelling the Keystone XL pipeline, putting infrastructure projects through endless permitting delays, and repeatedly threatening to put energy producers out of business - have all contributed [to higher energy prices](#) and a dependence on foreign energy - even as we see continued escalation in the Middle East. This America-last energy policy has been compounded by a rapid explosion in regulations and higher taxes – further straining energy production and the competitiveness of American businesses.

- **Gasoline** prices are up 53.0 percent
 - The average family of four is **paying an additional \$1,436 per year or \$119 per month** to purchase the same amount of gasoline.
- **Fuel oil** prices are up 62.5 percent
 - The average family of four is **paying an additional \$70 per year or \$5 per month** to purchase same amount of fuel oil.
- **Natural gas** prices are up 22.5 percent
 - The average family of four is **paying an additional \$125 per year or \$10 per month** to purchase same amount of natural gas.
- **Electricity** prices are up 23.4 percent
 - The average family of four is **paying an additional \$448 per year or \$37 per month** to purchase same amount of electricity.

Housing Costs Are Through the Roof:

Rising housing and shelter prices have made it [nearly impossible](#) for young people and new families to afford an adequate place to live. Since President Biden took office, overall housing prices have increased by 17.7 percent.

- **Median mortgage payments** on newly purchased homes are up almost 100 percent, due to both inflation and higher interest rates
 - New homeowners are **paying an additional \$14,418 per year or \$1,201 per month** for owning a home.
- **Overall Rental** prices, including for housing purchased before Bidenflation, is up 17.4 percent
 - The average family of four is **paying an additional \$740 per year or \$61 per month** for rent.
- **Home furnishings and equipment** prices are up 23.4 percent
 - The average family of four is **paying an additional \$513 per year or \$42 per month** on home furnishings and equipment.

Forcing Americans to Take a Hike:

President Biden's assault on automobiles has led to higher prices on vehicles and transportation.

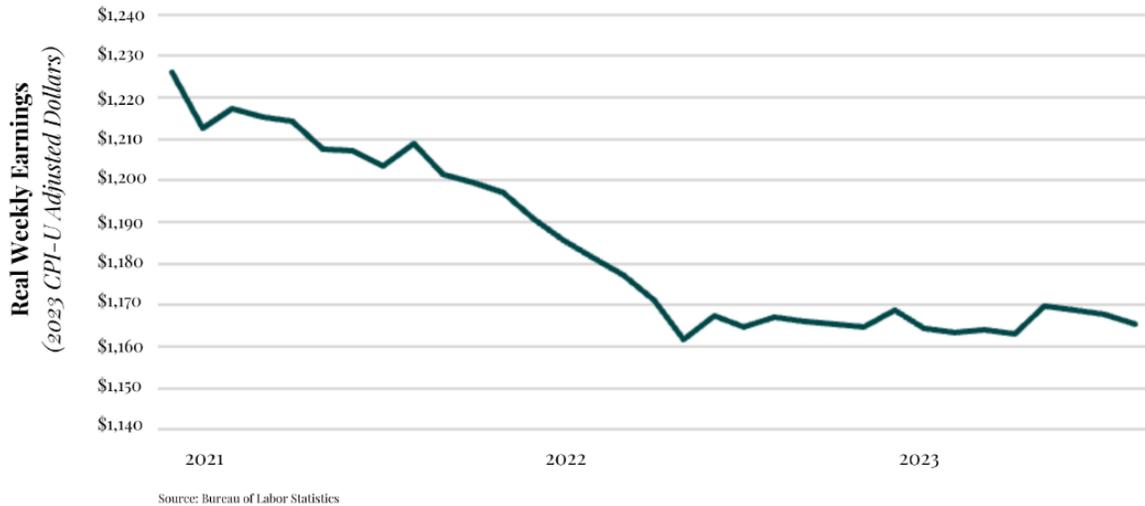
- **New vehicle** prices are up 19.5 percent
- **Used vehicle** prices are up 23.7 percent
- **Public transportation** prices are up 13.8 percent
- **New car loan** payments are up 27.2 percent – costing Americans an additional \$2,010 per year or \$167 per month – as a result of inflation and higher interest rates

Declining Wages and Shrinking Incomes:

The sharp increase in prices, combined with slow wage growth, has resulted in a [decline in real wages](#) – that is, inflation-adjusted wages. Real wages remain 4.9 percent below the level when Biden took office, or about \$60 lower per week. In total, **workers have lost an average of \$6,000** in real wages under President Biden.



Real Weekly Earnings Remain Over \$60 Below Pre-Biden Level
Biden's Inflation Is Hurting Wages



This has contributed to [real median household income declining](#) for the third consecutive year, including each of Biden's first two year years in office.

Real Median Household Income Declines for the Third Straight Year

Biden's Inflation Is Reducing Incomes

