C1 · Teacher pack · 60–90 minutes

Same Money. Smaller Basket.

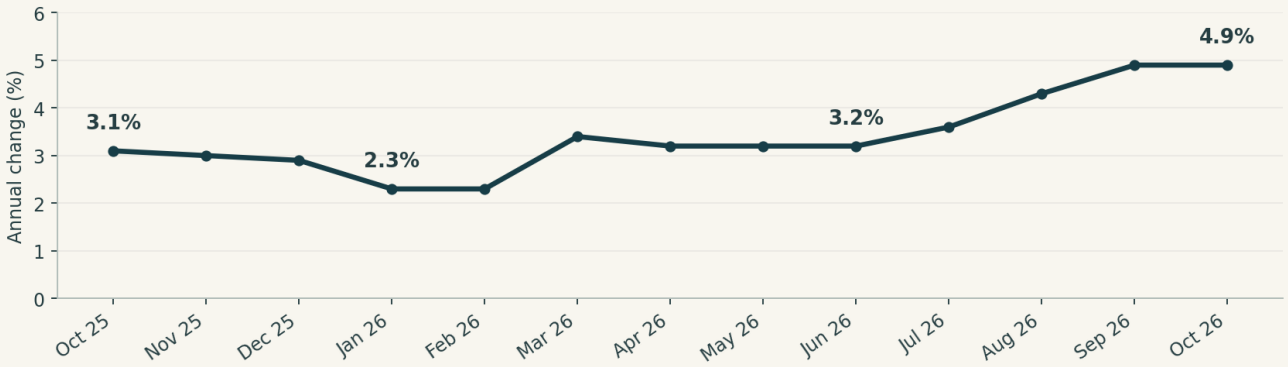
Qualify economic claims, assess unequal impacts and defend a policy using explicit conditions and counterarguments.

Talk first

1. When does advice to “tighten your belt” become an evasion of the underlying problem?

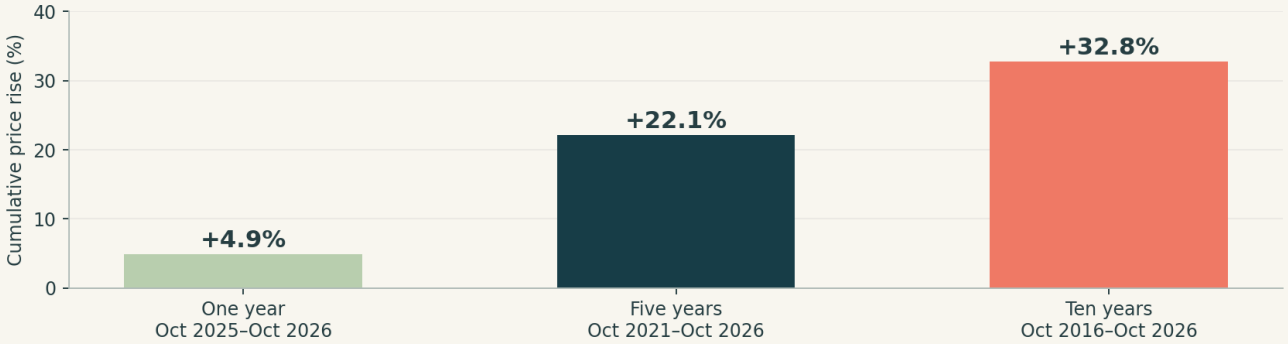
2. Which is more useful for judging living standards: a national average, a household budget or reported experience?

Inflation changed. Prices kept rising.



Spain · annual CPI rate, each month compared with the same month a year earlier. These are not month-on-month increases. INE; October 2025–October 2026. Latest release: 13 November 2026.

Same endpoint. Different starting prices.



Spain · national general CPI, same-month comparisons ending October 2026. One year: +4.9%; five years: +22.1%; ten years: +32.8%. The periods overlap: do not add them. Illustrative equivalent of a €100 basket: €104.90, €122.10 or €132.80, respectively. Not the prices of a specific grocery list.

Notice the difference: a slowing positive inflation rate still means the price level is rising.

Did pay keep up?

Spain, April–June 2026 compared with April–June 2025: average gross wage cost per worker rose 4.0%. General consumer prices rose about 3.2%. That average comparison does not mean every worker received a raise. Sources: INE wage-cost release and monthly CPI series.

What the average cannot afford to overlook

Original source-informed classroom reading · Research snapshot: 13 November 2026

The same economic announcement can produce relief, disbelief or indifference. A national average is designed to summarize, yet that very strength limits what it can reveal about a particular household. Someone whose rent has recently reset, whose commute requires a car or whose diet cannot easily change may experience pressure that is poorly represented by a single headline. The discrepancy deserves investigation rather than a choice between trusting statistics and trusting people.

A crucial distinction is between disinflation and falling prices. A lower positive inflation rate slows the erosion of purchasing power; it does not restore the earlier price level. Equally, a year of real wage growth does not establish that previous losses have been recovered. Starting dates therefore matter. Our one-, five- and ten-year CPI comparisons deliberately share an endpoint, while the OCU evidence belongs to a separate supermarket study.

These sources are complementary rather than interchangeable. OCU highlights substantial variation between goods and outlets. The general CPI spans a wider set of household purchases and reflects expenditure weights. Neither a handful of striking product increases nor a personal shopping receipt can stand in for the overall index. Conversely, an index cannot determine whether a particular family can afford adequate housing, transport or care.

The apparent simplicity of household solutions can also conceal assumptions. Shopping around requires time and access to alternatives; batch cooking assumes equipment, storage and a manageable schedule. Buying durable goods may be cheaper over several years while remaining unaffordable today. People with financial slack can respond strategically; those living close to the edge may pay more precisely because they cannot finance the option that would save money later.

Cutbacks are not purely monetary. Giving up a weekly activity may also mean losing companionship. Making do with unreliable transport could threaten punctuality at work. A small treat can sustain morale, while abandoning it may barely affect a structural shortfall. None of this means spending choices are irrelevant. It means their consequences should be evaluated in context rather than judged through a moral hierarchy of respectable and frivolous purchases.

Pay comparisons require similar discipline. Average gross wage costs are not median take-home earnings, and changes in the composition of employment can move an average. Comparing wage and price growth over the same period is necessary but insufficient: hours, taxes, benefits and household spending patterns also influence the outcome. A carefully qualified estimate is more informative than a precise-looking claim about what every worker has gained.

The case for regulating prices turns on mechanism and design. A targeted, temporary ceiling in a disrupted market may buy time; a broad ceiling that leaves suppliers unable to cover costs may undermine availability. Compensating suppliers changes the fiscal cost rather than making it disappear. Cash support preserves choice but raises questions about eligibility and funding. Tax relief depends partly on pass-through, while stronger competition or supply may take longer to deliver.

A defensible policy must specify its purpose. Is it intended to prevent immediate hardship, reduce measured inflation, restore purchasing power or change the structure of a market? Those goals overlap but are not identical. The strongest classroom proposal will state whose position improves, which tradeoff it accepts, what evidence would trigger revision and when the intervention should end.

Language worth keeping

make do with — manage using an imperfect available option

financial slack — spare capacity in a budget to absorb change

absorb a shock — cope with a sudden negative change

erosion of purchasing power — a gradual loss in what money can buy

disinflation — a reduction in the rate of inflation

pass-through — the extent to which a cost or tax change reaches final prices

targeted relief — support directed at a specified group or need

regressive burden — a burden that takes a larger share of lower incomes

fiscal cost — cost to the public budget

cushion the impact — reduce the severity of an effect

Use two expressions to describe different spending choices. Give enough context to show their meaning.

Useful language

• That conclusion holds only insofar as ___.

• The aggregate trend should not obscure ___.

• I would support this measure provided that ___.

• The immediate benefit has to be set against ___.

• A stronger test of this claim would be ___.

Find the evidence

1. Why investigate a gap between a headline and reported pressure?

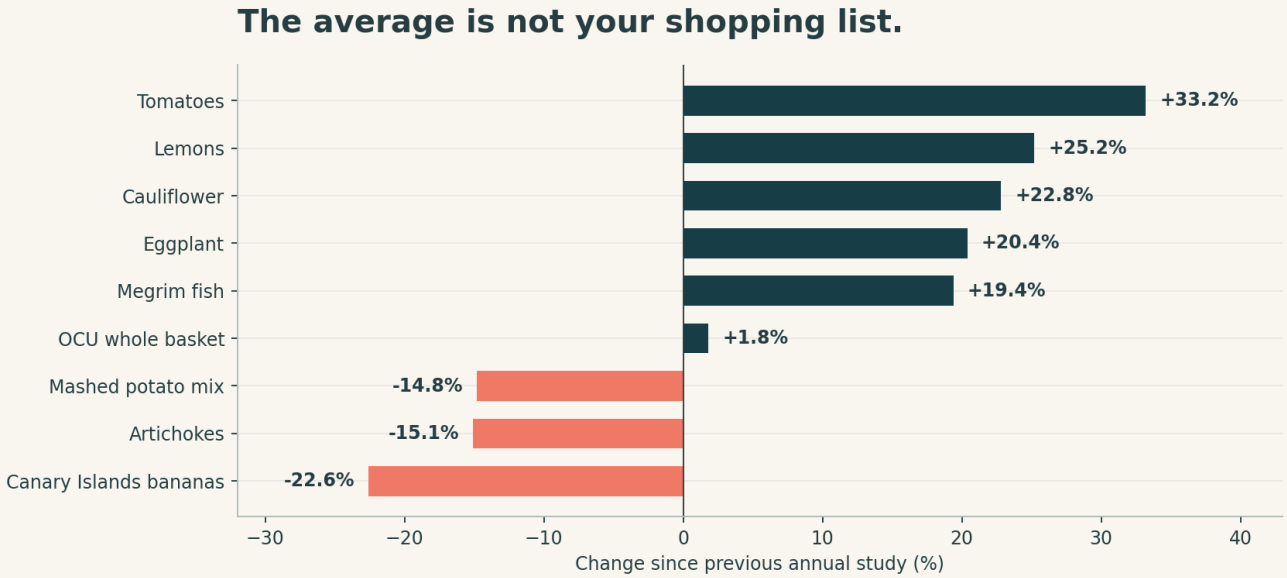
2. Why does real wage growth not prove full recovery?

3. What could a small treat provide besides consumption?

4. Why specify a policy’s purpose?

Discuss your answers and point to a supporting sentence. Opinion questions can have more than one defensible answer.

The average is not your shopping list



Selected products from OCU's 2026 annual supermarket study compared with its previous study. Prices collected April–May 2026. Percentage changes, not euro prices; selected examples are not a representative average. The whole basket also includes household and hygiene products.

1. Construct a defensible claim from each chart and a claim it cannot support.

2. What does a percentage-point change describe in the monthly CPI chart?

3. How might choosing a different starting date alter a narrative about recovery?

Budget food, with a side of economics

A box of Hamburger Helper contains pasta and sauce mix, combined with ingredients such as ground beef and milk to stretch a meal. Think of it alongside instant ramen, a familiar US college-budget option. David Hebert's 2025 Daily Economy commentary uses demand for budget meals to question reassuring aggregates. Treat the "Hamburger Helper index" as an informal signal, not a standardized measure: prices, promotion, convenience or nostalgia can also influence sales. What is your budget-meal equivalent?

What people report cutting

ONS, Great Britain, August 2026: 59% of adults reported spending less on non-essentials because of higher living costs; 43% shopped around more; 38% spent less on food shopping and essentials. Multiple actions were possible. This is not a Spanish survey.

Optional listening · opening excerpt, maximum 3 minutes

Federal Reserve Education: Inflation. Use the official video and transcript; preview playback. If unavailable, your teacher can read the short original fallback.

1. Which qualification prevents the historical prices from proving greater past affordability?

2. What limitations would you add when applying a single basket to different households?

Open official video and transcript

A conversation worth having

Choose questions that interest you. Ask a follow-up, respond to a different view and use an expression from the language page. Fictional answers are welcome.

Choices under constraint

1. When is making do a sensible adaptation, and when is it deferred harm?
2. Which apparently frugal choice transfers costs into unpaid time?
3. How should social participation figure in a basic household budget?
4. What would make budget advice useful without making it patronizing?

Distribution and wages

1. What would a median-pay measure add to an average?
2. Should inflation protection prioritize flat increases or percentage increases?
3. How could a pay policy protect workers while accommodating small employers?
4. What evidence would distinguish recovery from merely slower deterioration?

Public intervention

1. Design the narrowest price cap you could defend.
2. What enforcement problem would be hardest to solve?
3. How would you compare targeted cash with temporary tax relief?
4. Which indicators should determine whether support is extended or withdrawn?

Reading the story

1. Why do supermarket experiences carry political force?
2. How can selective product examples illuminate a problem without representing it?
3. What is a fair way to challenge someone’s interpretation of their own circumstances?
4. Which missing evidence would most change your current view?

Decision challenge

Absorb the fictional €80 cost shock, then test your plan against a household with no car and little storage. Recommend a short-term intervention and a longer-term response. Specify eligibility, funding, one unintended consequence and an exit condition.

30-minute extension

Write and defend a 90-second policy recommendation. A partner identifies its strongest assumption; revise the recommendation without abandoning its core objective.

Exit ticket: one useful expression, one evidence-based claim and one idea you reconsidered.

Make the plan work

Fictional monthly budget	Amount
Housing and bills	€1050
Food and household goods	€420
Transport	€160
Health and essential care	€90
Phone and internet	€60
Social life and subscriptions	€120
Savings / emergency buffer	€100

Income €2,100. Current spending €2,100. Essential costs rise €80.

Possible monthly change	Saving
Switch some brands / reduce food waste	€25
Cancel one subscription	€15
Two fewer takeout meals	€30
Walk or use an existing bus pass for suitable trips	€20
Renegotiate phone plan	€10
Delay a non-urgent purchase	€30
Reduce the savings contribution this month	€40

Illustrative estimates only. Do not double-count food savings. Discuss time, transport and access; protect essential care and adequate food.

Should the government step in?

Temporary price ceiling: Set a legal maximum for selected essential goods. It may provide immediate relief; if set below a viable supply price without support, it can discourage supply or create shortages. Define the product, duration and enforcement.

Targeted support: Give eligible households cash or vouchers. This can focus help on need; eligibility rules, missed applicants, funding and price effects need attention.

Tax relief and competition: Reduce selected consumption taxes or improve competition and price transparency. Benefits depend on how much reaches shoppers; tax cuts cost public revenue and competition measures can take time.

Who benefits, who pays, what might go wrong, and what evidence would justify changing the plan?

Full source links, chart data and student activities online

Keep the conversation going.
Scan for this version’s free student lesson, source links, charts and student PDF. No account needed.

Teacher notes and answer guidance

Flexible 60-minute route

Warmer 5 min; reading/comprehension 12; charts 8; vocabulary/useful language 8; selected discussion 12; decision/exit ticket 15. Choose rather than complete every question. Optional listening replaces some discussion. Extend to 90 minutes with the additional task and a policy clinic.

Use conditional reasoning and distinguish policy mechanism from desired outcome. An aggregate wage/CPI ratio is an approximate index comparison, not a finding about each worker. Encourage explicit criteria for changing a view.

Sensitive-topic guidance

Students may use invented examples, talk about society or pass on a personal question. Do not ask them to disclose income, hardship or family circumstances. Budget meals are cultural context, not a judgment about taste, health or poverty.

Reading answers

1. The index and a household’s exposure can differ without either being false.

2. Earlier losses and the starting date still matter.

3. Morale, companionship or participation; context matters.

4. Hardship relief, lower measured inflation and structural change are distinct objectives.

Chart answers

1. Examples: the annual rate rose toward October; it does not show every household’s inflation. Product changes vary; the selection cannot establish the average. Longer accumulated rises are larger; the periods must not be added.

2. A change between two rates, e.g. 3.1% to 4.9% is +1.8 percentage points.

3. A shorter recovery interval can omit earlier losses or begin at an unusual price level.

Budget guidance

One possible €80 combination: €25 brands/waste + €15 subscription + €30 takeout + €10 phone. Accept alternatives with sound arithmetic and realistic conditions; do not count overlapping food savings twice. Teen café €28 exceeds €24; picnic €20 fits; free event up to €10 fits if optional snacks remain optional.

Evidence, language and next steps

Language notes

Make ends meet: cover necessary costs. Make do with: use an imperfect available alternative. Go/do without: not have something. Make money is not the same meaning. At advanced levels distinguish nominal/real, percent/percentage points, income/revenue and price/volume. Cheap goods are not automatically “inferior goods”; the technical term concerns how demand responds to income, not quality.

Pay comparison

Q2 2026 vs Q2 2025: INE average gross wage cost +4.0%; April–June CPI annual rates each 3.2%. Approximate real comparison from rounded rates: 1.04/1.032−1≈0.78%. It is not median take-home pay, each worker’s raise, or evidence of full recovery from earlier losses. Fictional example: 1.03/1.05−1≈−1.90%.

Listening fallback

Inflation is a broad increase in prices over time. A low price in the past does not prove something was easier to afford, because pay was different too. A price basket combines many purchases. It describes an average pattern, while households spend their money differently.

Listen for: the difference between nominal historical prices and affordability; the need for historical income; a basket’s scope. Playback has not been verified here. The fallback is original writing, not an authentic transcript.

Sources · verified 13 November 2026

INE · October 2026 CPI · 13 Nov 2026

INE · five-year price change · retrieved 13 Nov 2026

INE · ten-year price change · retrieved 13 Nov 2026

OCU · 2026 supermarket study · 25 Sep 2026

OCU · study methods and collection period · 25 Sep 2026

INE · monthly CPI series · retrieved 13 Nov 2026

INE · wage costs, Q2 2026 · 17 Sep 2026

ONS · household responses, Great Britain · 18 Sep 2026

Hamburger Helper · product information · checked 13 Nov 2026

David Hebert · The Daily Economy · 14 Oct 2025

George Washington University · informal indicators · 14 Oct 2025

University of Wisconsin–La Crosse · student budget recipes

ECB · What is inflation?

BIS · price caps and targeted support · 8 Mar 2023

Federal Reserve Education · Inflation · official video and transcript