

Today in Capital Matters: Why Economists Disagree on Inflation

By DOMINIC PINO

February 1, 2022 9:14 AM

Ryan Bourne of the Cato Institute explains why economists disagree on the causes and solutions for inflation.

Here's an excerpt:

Put aside the baseless suggestions from politicians about the role of corporate greed or market concentration; economists such as Larry Summers and John Cochrane confidently claim that the problem was primarily too much macroeconomic stimulus being pumped into the economy. Others, including James K. Galbraith and even, until recently, Fed Reserve chairman Jerome Powell, have suggested that the culprit was the severe Covid-lockdown-related disruption to the supply of goods and services. If the profession can't agree on the source of such a profound macroeconomic phenomenon, what faith can the public have in their pronouncements?

Hint: The public can, so long as it remembers where different economists are coming from.

Read the whole thing [here](#).