Inflation in the wake of coronavirus and war

Inflation has reached the highest level in decades in the European Union, United States and many other countries, with the Ukraine conflict adding upward pressure on prices of energy and food. The Russian invasion has intensified the already near-record growth of consumer prices resulting from the coronavirus pandemic and broken supply-chains. The war has sharply curbed supply of energy, wheat and other products from Russia and Ukraine, their major producers. The countries’ exports look set to dwindle further if the war continues and the EU imposes a ban on its massive gas and oil imports from Russia, adding to the already strict sanctions on Moscow.

Some central banks have signalled that they will further increase interest rates, and 'stagflation', or high inflation coupled with economic stagnation, could follow. Before the invasion, many experts had expected rapid price growth to be temporary. Now, they believe inflation could become more entrenched, further squeezing households’ real income in coming months.

This note gathers links to the recent publications and commentaries from many international think tanks on resurgent inflation. Analyses on the war and its implications can be found in a previous edition of the 'What Think Tanks are Thinking' series.

The week inflation became entrenched
Bruegel, March 2022

The impact of the war in Ukraine on food security
Bruegel, March 2022

Can Europe manage if Russian oil and coal are cut off?
Bruegel, March 2022

Inflation in America: Experts react to the latest CPI release
Brookings Institution, March 2022

Stagflation: Real threat or imagined?
Council on Foreign Relations, March 2022

Russia’s war on Ukraine: There is worse to come (for the West as well)
Centre for European Reform, March 2022

Ukraine crisis could trigger cascading risks globally
Chatham House, March 2022
How agriculture bureaucrats are manipulating food prices and our diets
Mises Institute, March 2022

Inflation: Who or what is the culprit?
Mises Institute, March 2022

The European Economic Advisory Group’s report on the European economy 2022 – Economic policy for the next decade: A changed role of governments?
IfO, March 2022

Economic consequences of the Russian invasion of Ukraine
IfO, March 2022

Preiskontrollen eignen sich nicht, um die Inflation zu bekämpfen
DIW Berlin, March 2022

World economy in spring 2022: Slower growth amid higher inflation
Euro Area Economy Spring 2022: War in Ukraine impairs post-pandemic recovery
Kiel Institute of the World Economy, March 2022

Does rational economic policy require a Stability and Growth Pact?
Österreichische Gesellschaft für Europapolitik, March 2022

Why I worry about inflation, interest rates, and unemployment
Peterson Institute for International Economics, March 2022

Fed gets a grip on 2022, still optimistic on 2023
Peterson Institute for International Economics, March 2022

Why US inflation surged in 2021 and what the Fed should do to control it
Peterson Institute for International Economics, March 2022

What is needed to tame US inflation?
Peterson Institute for International Economics, March 2022

Will anchored inflation expectations actually anchor inflation?
Peterson Institute for International Economics, March 2022

Higher oil prices stemming from Russia-Ukraine war may be temporary
Peterson Institute for International Economics, March 2022

Beyond oil, natural gas, and wheat: The commodity shock of Russia-Ukraine crisis
Atlantic Council, March 2022

What about inflation and the Russia-Ukraine crisis?
Atlantic Council, March 2022

Why inflation is President Biden’s biggest political problem
Brookings Institution, February 2022

The weakness of average inflation targeting
Bruegel, February 2022
Who is suffering most from rising inflation?  
Bruegel, February 2022

East-west divergence in central bank action will not last much longer  
Bruegel, February 2022

Russia’s energy role in Europe: What’s at stake with the Ukraine crisis  
Council on Foreign Relations, February 2022

What do the data tell us about inflation expectations?  
IfO, February 2022

Inflation rises could again poison euro zone politics  
Chatham House, February 2022

Inflation politics is clearer than inflation economics  
Brookings Institution, January 2022

Taking stock of the new Fed and ECB monetary policy frameworks  
Brookings Institution, January 2022

Inflation expectations  
Centre for European Policy Studies, January 2022

Inflation: Policymakers should stop driving it and start fighting it  
Heritage Foundation, January 2022

European inflation is not American inflation  
Peterson Institute for International Economics, January 2022

Inflation: Learning the proper lessons from history  
Council on Foreign Relations, January 2022

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