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## CONCLUDING COMMENTS

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We started this conference by hearing that:

- Short, simple explanations of inflation are ridiculous
- Inflation has brought economists to the point of being mistrusted
- Our economic tools are not currently adequate to deal with inflation
- The U.S. mindset now embraces inflation.

Thus, the problem has continued to exist and worsen. And while it is impossible to predict the inflation rate for the next 5 to 10 years, the U.S. economy probably can't continue to grow at past rates.

In total, we were given a rather dire outlook for the role of economists in helping to solve the problem of inflation. Maybe we should have ended the Conference on that note, reviewing the situation and difficulties of dealing with inflation.

But plunging ahead, we heard definitions of inflation such as "too much money chasing too few goods," and statements indicating that wasn't a meaningful definition. We were offered some simple solutions, only to have them riddled by others.

Fiscal policy, monetary policy, and mandatory wage and price controls were discussed. It was observed that it doesn't appear possible to control inflation with current methodologies. However, we also heard that some combination of existing programs is the answer.

Following that first day's enlightenment, we examined specific areas in relation to inflation:

- International trade: inflation rates, exchange rates, and the trade balance are closely intertwined.
- Food policy: there will not be much effect if we deal only with what is agriculturally based, and hence influenced by policies in the food and agriculture area.
- Energy: we have to suffer some in the near future to protect our long-term future.

- Transfer payments: their reduction isn't the easy cure some would claim.

We probably could have identified a few other areas for consideration relative to the causes and impacts of inflation.

Then what should we have accomplished this week:

1. If anyone came with the answers to solve the inflation problem and still knows the answers, there are two possibilities:
  - a. The program committee overlooked a good program participant and I'll offer apologies in their behalf.
  - b. You went fishing too many days this week.
2. If you've come to realize there are no definitive answers, at least you've been present and alert most of the time.
3. If you've also gotten a few ideas and had your thinking stimulated occasionally this week, you may feel that your participation was worth your time.
4. Finally, if you leave feeling that this week's program has provided you with some framework for thinking about issues related to inflation, clarified your thought processes on inflation, given you a few useful ideas, and most of all stimulated you to continue thinking about inflation and how you may deal with it in your educational programs—the week has been a tremendous success.