

# Prices and the Market Economy

geschrieben von Heiner Flassbeck und Friederike Spiecker | 2. Mai 2022

Inflation continues to be on everyone's lips. At 7.4 per cent, a rate was reached in April this year that is almost unique in the history of the Federal Republic of Germany. Only in the early summer of 1973, around the turn of the year 1973/1974 and in October 1981 was the rate of increase in the consumer price index higher than at present. The pressure on the ECB to respond with interest rate hikes is growing daily. At the same time, the proponents of a tighter monetary policy fail to provide a plausible explanation as to how and with what macroeconomic consequences interest rate hikes can bring the current price increases for imported commodities to a halt.

[Continue reading](#) this article.