

30

**Inflation is difficult to guess when is high
and volatile**

**Inflation in the U.S. is neither high nor
volatile: not difficult to guess correctly**

Inflation



Arbitrary redistribution: U.S.

lenders do not lose real income,

U.S. borrowers do not gain real income

NO

Inflation is difficult to guess when is high and volatile

Inflation in the U.S. is neither high nor volatile: not difficult to guess correctly

NO

Arbitrary redistribution: U.S.

Inflation

**lenders do not lose real income,
U.S. borrowers do not gain real income**

Interest Income