

Funding the Future

Inflation is not here to stay

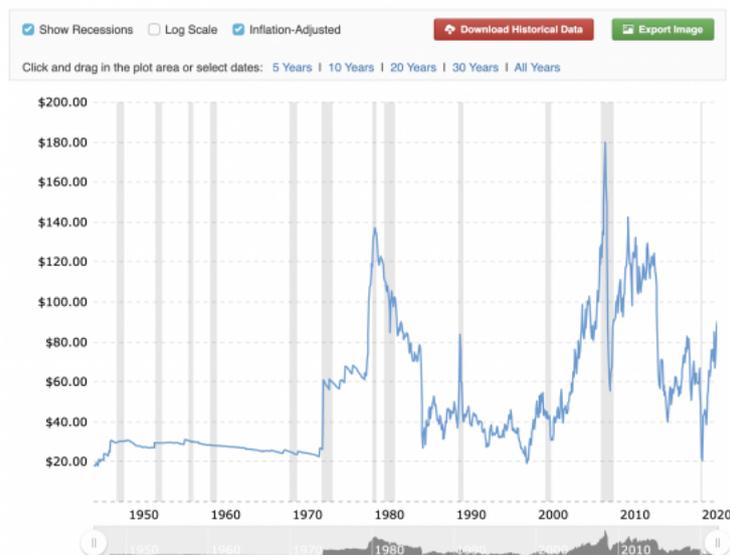
Published: January 15, 2026, 11:22 am

As the [Guardian notes this morning](#):

One in five nearly-new cars are now selling at more than their brand-new equivalents, as disruption to supply chains continues to push used cars to record values.

This is absurd, and there can be no one who thinks that this situation will last. The chip supply chain issue will resolve. Second hand car prices, which have helped fuel the inflation indices, will fall. So too will inflation in that case. Changing interest rates will not solve this. Better supply chains will. Price volatility due to supply chain disruptions reverse.

This [chart of oil prices](#) is also indication of that. Note it is inflation adjusted:



Oil prices can skyrocket at a hint of supply disruption. They plummet too. At some point they will, not least when we really sort out the supply of the renewables that will supplant them.

The pretence that all prices are destined to rise forever without Bank of England intervention is pure nonsense.

The myth that inflation is here to stay is similarly fanciful.

It really is time that we had sine mature economic debate in the UK, not least from those paid to lead it.