

The US Fed is crushing the hopes of billions of people ...

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The US Fed raised its guidance interest rates yesterday for the fourth time in four months. As on those previous occasions, the increase was by 0.75%.

The [FT reports](#) that

Jay Powell warned US interest rates would peak at a higher level than expected even as he held out the possibility of the Federal Reserve slowing the pace of its campaign to tighten monetary policy.

Speaking after the central bank increased its main [interest rate](#) by 0.75 percentage points for the fourth time in a row, Powell warned the Fed had “some ways to go” in its quest to tame soaring prices and pointed to a string of economic reports suggesting it has yet to make a dent in inflation.

In other words, the pain is not stopping. Nor will it apparently do so until a result is seen, even though it takes up to two years for the impact of interest rate changes to be seen in the economy, meaning that Powell's comment was economically crass (to be polite).

Worse, contrary to what Powell says there are signs that inflation is slowing in the US. It will there just as it will here, simply because the math (US spelling) guarantees it. Once prices post the start of Putin's war are compared with prices also post the start of Putin's war are compared - as will be happening by April - the inflation rate will fall because the one-off shock will then be beginning to work its way out of the inflation calculation like night follows day. Apparently, the Fed doesn't understand this simple fact.

Meanwhile, the Fed is seeking to crush the US economy.

As important though, in my opinion, is the fact that the US Fed interest rate will also be crushing the economies of very large numbers of developing countries. They are forced to borrow in dollars - wholly unfairly - and as a result will have to fund many more dollars to pay the interest on their loans now. This will crush development and directly

harm billions of people around the world as a result.

I guess Powell does not care.

I do.