

Who has caused inflation in the UK?

<https://www.taxresearch.org.uk/Blog/2023/02/03/who-has-caused-inflation-in-the-uk/>

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I posted this tweet last night and it seems to have been both popular and the inspiration for a lot of comments:

<https://twitter.com/richardjmurphy/status/1621218251735801856?s=61&t=Sg48OAYtT4HYp6o8yCMogw>

The question I posed was genuine. If the likes of the government and Bank of England were to be believed then the causes for inflation are Covid, war in Ukraine and those terrible workers who do not wish to see it cut their disposable incomes.

The reality is that few real shortages were in fact created by the war in Ukraine, whilst Covid supply chains have long since been resolved (chips apart). There were no real reasons for price increases in that case bar one thing, and that was the profiteering from fear that was exploited by many suppliers of basic commodities, like oil companies.

Since many oil, gas, food and construction raw material costs are now back at pre-war prices the idea that there was a fundamental cost increase as a result of it that they needed to cover by increasing prices is shown to be wrong: they simply profiteered at cost to society at large, as Shell's profits clearly demonstrated yesterday.

So, is responsible for the inflation we have? We should start with the oil companies. Then we should move in to the banks. They are the war profiteers.