

Today's fall in inflation was inevitable. What was not ...

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Inflation in the UK [has fallen below 5%](#).

I am not surprised. I always said it would. Supply chain disruptions after Covid were, inevitably, resolved. The disruption from the war in Ukraine proved to be the result of stupidity in the commodity markets, and prices returned to pre-war levels, as I expected. And so inflation was always going to go away.

Inflation always works like that. After a period of inflation - most of which periods are of very short duration - things go back to normal.

Danny Blanchflower and I were saying this two years ago. The historical evidence made it easy to do so. And we were right.

And now Rishi Sunak is claiming credit.

He should not be. This was a phenomenon that was largely beyond his control.

Barring one thing, that is. He could have made the impact of inflation much less than it was if only he had told the Bank of England to do nothing to tackle it.

Instead, they have massively compounded the cost of living crisis, left millions with debt they are not sure they can service, and left large numbers of companies tottering on the brink of insolvency, all because of wholly unnecessary interest rate rises.

And those interest rises have fuelled the inflation we have, most especially in rents, car leasing costs and other large expenses households face that are included in our inflation measure.

So, is there anything to celebrate today? No, nothing at all.

But we should be mourning the lost years to come that are the result of the wholly incorrect policy decisions made by the Bank of England.