



The Daily Dish

# Fact-Checking Inflation

DOUGLAS HOLTZ-EAKIN | APRIL 22, 2022

*“What people don’t know is that 70 percent of the increase in inflation was the consequence of Putin’s price hike because of the impact on oil prices. Seventy percent.”*

— President Biden, [remarks](#) at the North Carolina Agricultural and Technical State University in Greensboro, N.C., April 14

The president, his staff, and the administration’s allies have been repeating the Putin Price Hike mantra in the hopes of hypnotizing the American public. Good luck with that. If your gut tells you this can’t be right, trust your gut: The claim is numerically correct and utterly indefensible.

*The Washington Post* has a [long explanation](#) of how the administration’s economists tortured the data. It reads like a statistical Abu Ghraib. Here’s the short version.

The chart below shows year-over-year inflation since the start of the Biden Administration. It shows inflation rising from 1.4 percent to 8.5 percent, with a particularly sharp acceleration in April 2021 and thereafter as the American Rescue Plan’s \$1.9 trillion stimulus overheated the economy. That is the entirety of the record.

The Biden Administration would ask you to kindly ignore everything that happened up to the last month. From February to March, Consumer Price Inflation rose yet again. BUT, as it turns out, the March report showed very high energy price inflation as global oil prices rose in the aftermath of Putin’s invasion of Ukraine. As highlighted in the oval, the energy price rise (shaded in orange) contributed 70 percent of the month-to-month change in inflation.

But in the head-to-head battle of Biden Policy versus the Putin Price Hike for the inflation increase over the entirety of the president’s term, Biden Policy wins hands down: 93 percent to only 7 percent for the Putin Price Hike.

Brookings economist Charles Schultze once famously said of supply-side economics: “There’s nothing wrong with the supply side that couldn’t be solved by dividing its claims by 10.” The same is true of President Biden’s claims about the Putin Price Hike.

## Inflation and the Putin Price Hike

