

Washington, DC: **Congressman Ron Paul, Chairman of the Domestic Monetary Policy and Technology subcommittee, announced that the subcommittee will hold a hearing to examine the relationship between monetary policy and rising prices (with a particular focus on food and energy prices).**

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□ The hearing is scheduled for Thursday, March 17th at 10:00 AM, in room 2128 of the Rayburn House office building.

“It is unconscionable that published government statistics mislead Americans regarding the true rate of price inflation, which is much higher than commonly-reported CPI numbers,” Paul stated. “It is also unconscionable that Federal Reserve Bank officials continue to deny the effects of their monetary expansion on consumer prices. Inflation, properly understood, is a monetary phenomenon.

The price inflation Americans suffer today is largely the direct result of relentless monetary expansion by the Federal Reserve over the past decade.

Our witnesses will explore how current monetary policy, including QE2, directly impacts the standard of living of Americans in ways that are not reflected in official government data.”

Congressman Walter Jones, vice chairman of the subcommittee, stated, “The Fed has attempted to convince the public that its money printing campaign is necessary to stimulate America’s economic recovery. Instead of recovery, the real effect of the Fed’s money printing has been monetization of America’s exploding fiscal deficits, devaluation of the dollar, and creation of inflation in asset prices across the board.

As a result, working people in places like Eastern North Carolina are being squeezed at the gas pump and the grocery store as they struggle to make ends meet in a world in which their salaries have no chance of keeping up with Mr. Bernanke’s printing presses.”

Scheduled to testify are:

Prof. Joseph Salerno, Chair of the Economics Graduate Program at Pace University

James Grant, Noted commentator and publisher of Grant's Interest Rate Observer

Lewis Lehrman, Author, investment banker and former member of President Reagan's Gold Commission