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## LETTERS

We deserve to know the truth about higher costs

The Center for a Sustainable Coast believes that understanding facts is vital to serving the public interest. In this election year, one of the most pivotal but poorly understood issues is rising living costs. Like many factors crucial to voter choices, assertions about inflation and housing costs are distorted by faulty claims that, unless factually corrected, will only worsen exploitative practices that harm misinformed citizens.

Extensive financial analysis concludes that much of rising costs in recent years is a direct result of corporate price-gouging. *Fortune* and other financial news sources have reported that over 50% of consumer price-increases in the past two years were caused by producers raising prices well above their costs of providing goods sold.

The Fed's response has been to raise interest-rates, but because higher interest-rates make borrowing more expensive, fewer new homes are built and supply falls short of demand, raising the cost of rent and home ownership.

Also significantly adding to inflation are well documented environmental factors caused by climate change. For instance, flooding, drought, and extreme heat reduce crop yields and agricultural productivity, thereby raising costs. Similarly, transport delays due to drought-restricted use of the Panama Canal and Mississippi River for cargo distribution have generated supply-chain problems with inflationary consequences.

Despite these facts, they are seldom mentioned in most media analysis of economic issues. Also unevaluated are dubious assumptions in using interest-rates to control inflation not mainly caused by consumer demand. Blaming higher costs-of-living on failed leadership undermines voters' ability to make informed decisions.

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