# Editorial Page

#### **EDITORIALS**

### Sentence fragments

#### Jan. 6 comes home (to roost)

the group the unwelcome news: A that the man had appeared remorseful.

group of Americans considered loyal to the Union, and essential to the war effort, had proven otherwise.

In fact, the outfit, once reliable, was now known to be filled with those who had their loyalties elsewhere, farther south. The room went quiet. The news wasn't just bad, but completely un-

At which point President Lincoln

told a story. It went like this: A farmer of some reputation and

property walked outside his home one day to do a little work in his garden. At which point he saw a squirrel dart into a big oak tree next to his home. This oak was the sentinel of the lot,

keeping watch over everything. Was

there something wrong with the tree, and could part of it be hollow enough to house a squirrel's nest? The farmer called upon a friend who knew about these things, and after examining the tree, his friend told him the thing was completely hollow. From top

push it over onto his lovely home. The farmer sighed, and said: "I wish I'd never seen that squirrel."

to bottom. And the next big wind might

The stories of the Jan. 6 rioters—that is, the stories of their convictions and sentences—are becoming more frequent. This past Thursday the wires said another person, this one from Heber Springs, Ark., was sentenced to one year of probation and 60 hours of community service for his role in the deadly brawl a year and a half ago. A U.S. district judge in Washington, D.C., didn't sentence the Arkansan to any jail time. We note that the man is 78 years old.

He pleaded guilty to one misdemean- these squirrels.

HE STORY goes that the Cab- or count of parading, demonstrating or inet settled down for a war up-date one morning. And one of which carries a maximum sentence Abraham Lincoln's top advisers gave of six months in jail. The judge noted

> Which most of them seem to appear these days, especially at sentencing.

> There are other court reports to come, and more having to do with defendants from Arkansas, as well. We refer you to the many stories in the news columns.

Some of these rioters have been given sentences such as the one this week. We wonder if the defendants know how lucky they are. People died in the riot. These sentences could have been severe. A few have been sentenced to a handful of years here and there, but even they are lucky. In another country, or even in this one during another time ....

Irony is a large part of the story: The same government these folks were challenging (although amateurishly) now takes into account their remorse when handing out prison time. Or lack of pris-

We'd caution some of our friends on the left who might cheer the harsh sentences handed out to the rioters, and boo the probation-and-communityservice. There but for the grace of God, etc. Remember the congressional protests when the electoral college count was certified for Donald Trump in January of 2017? Of course, back then, those doing the protesting didn't have somebody whipping up the masses online and in person.

If, after reading this, Gentle Reader thinks that we consider Jan. 6 more sad and disappointing than other adjectives, we're happy you don't misunderstand. These people who are making the papers for their sentencings sound ashamed, at least now, and they

As for us, we wish we'd never seen



#### **COLUMNISTS**

# Stagflation that was

n Wednesday, the five-year break-even inflation rate fell to 2.48 percent. If that doesn't mean anything to you—which is completely forgivable if you aren't a professional economy-watcher—try this: The wholesale price of gasoline has fallen about 80 cents a gallon since its peak a month ago. Only a little of this plunge has been passed on to consumers so far, but over the weeks ahead we're likely to see a University of Michigan, which seemed to show a broad decline in prices at the pump.

What are the odds that falling gas prices will get even a small fraction of the media coverage devoted to rising prices?

What these numbers and a growing accumulation of other data, from rents to shipping costs, suggest is that the risk of stagflation is receding. That's good news. But I'm worried that policymakers, especially at the Federal Reserve, may be slow to adapt to the new information.

They were clearly too complacent in the face of rising inflation (as was I), but now they may be clinging too long to a hard-money stance and creating a gratuitous recession.

Let's talk about what the Fed is

Obviously we've had serious in-Much, probably most, of this inflation reflected presumably temporary disruptions of supply ranging from supply-chain problems to Russia's invasion of Ukraine.

But part of the inflation surge also reflected an overheated domestic economy. Even those of us who are usually monetary doves agreed that the Fed needed to hike interest rates to cool the economy down-which it has. The Fed's rate hikes, plus the anticipation of more hikes to come, have caused the interest rates that matter for the real economy—notably mortgage ratesto soar, which will reduce overall spending.

There are early indications of a significant to slam too hard on the brakes. onomic slowdown

meeting of the Fed's Open Market Committee, which sets interest rates, suggest considerable fear that cooling the economy off won't be are becoming "unanchored" and that inflation 'could become entrenched."

This isn't a foolish concern in principle. Over the course of the 1970s, just about everyone came to expect persistent high inflation, and this expectation got built into wage- and price-setting.

For example, employers were willing to lock in 10 percent-a-year wage increases because they expected all their competitors to be doing the same. Purging the economy of those entrenched expectations required an extended period of very high unemployment—stagflation.

But why did the Fed believe that something like this might be happening now? Both the minutes and remarks from Fed Chair Jerome Powell suggest that an important factor was a preliminary release of survey results from the in economics, writes for the New York Times.





jump in long-term inflation expectations.

**OPINION** 

Even at the time, some of us warned against putting too much weight on one number, especially given the fact that other numbers weren't telling the same story. Sure enough, the Michigan number was a blip: Most of that jump in inflation expectations went away when revised data was released a week later.

And for what it's worth, financial markets are now more or less sounding the allclear on persistent inflation. That five-

year break-even is the spread between ordinary interest rates and the interest rates on bonds that are protected against rising prices; it is therefore an implicit forecast of future inflation.

And a closer look at the markets

shows not just that they expect relaflation problems over the past year and a half. tively low inflation over the medium term, but also that they expect it to subside after the next year or so, returning thereafter to a level consistent with the Fed's long-run target.

To be fair, bond traders don't set wages and prices, and it's possible in principle that inflation is getting entrenched in the minds of workers and businesses even as investors decide that it's under control. But it's not likely.

lso, there may be an element of self-denying prophecy here, with investors marking down expectations of future inflation precisely because they expect the Fed

But the just-released minutes of last month's that the Fed is getting more hawkish even as the economy weakens and the prospects for sustained inflation are receding.

I don't know exactly what's going on here. Part enough, that expectations of future inflation of it may be the all too common tendency of policymakers to double down on a course of action even when the facts stop supporting it. Part of it may be that, having gotten past inflation wrong, Fed officials are, perhaps unconsciously, susceptible to bullying from Wall Street types determined to be hysterical about future inflation. And in part they may just be over-compensating for their previous underestimation of inflation risks.

In any case, there's an old joke about the motorist who runs over a pedestrian, then tries to fix the mistake by backing up—running over the pedestrian a second time. I fear that something like that may be about to happen in economic policy.

Paul Krugman, who won the 2008 Nobel Prize

# Ethiopia and Myanmar

ITH THE unrelenting American news cycle weighed down by the politicization of, well, just about everything, one could be forgiven if the latest news from Ethiopia slipped through unnoticed. The world does, after all, extend a

good ways beyond Ukraine and the It's easy to forget these days the countless millions who wake up every day and face their apocalypse.

Reports from east Africa this week deliver yet more bad news: Hundreds of villagers were massacred in another ethnically motivated attack, part of the ongoing Ethiopian civil war.

The current conflict, active for going on two years, pits the current government and its allies against the regional Tigray People's Liberation Front (TPLF), supporters of which don't consider the rule of Prime Minister Abiy Ahmed to be legitimate.

Militants on each side have been accused of war crimes and crimes against humanity. But stories have emerged of Ethiopian federal forces committing crimes against the ethnic Tigrayans that make the perpetrators of other massacres blush.

Multiple international news outlets have quoted victims and hospital workers in the northern province of Tigray, who say militants are employing rape as psychological warfare, or using it as biological warfare to spread disease. And bragging openly of genocide.

As of March, an estimated half-milfront steps of the U.S. Supreme Court. lion civilians had died in Ethiopia as a result of the war or famine exacerbated by it. Hundreds of thousands more have been impacted, if not turned into

Meanwhile, in Myanmar (aka Burma), the military coup of early 2021 has evolved into-you guessed it-a military dictatorship. The resulting junta has been held accountable for thousands of deaths and the displacement of hundreds of thousands from their homes, many likely into the jungle, officials believe.

We've much to concern ourselves here in the land of milk and honey. Racism, abortion, equality .... But genocide and rape-as-a-tactic-of-war remain terms saved for far-off places like Ethiopia and Myanmar.

Let's pause to remember those for whom "identity politics" takes on a whole different, and deadly, meaning.

OTHERS SAY

### Boris Johnson's own exit

It is still possible for a Western democratic leader to be held accountable for lying too much. That is the implication of Boris Johnson's resignation as prime minister of Britain, and it's a hopeful one.

Of course, Mr. Johnson's lies are, in part, a pretext for what became an irresistible intraparty move to topple him. If all had been well otherwise, both for Britain and for the prime minister, the Conservatives might have tol-Britain's inflation rate, 9.1 percent, is the briefest possible transition.

the highest in the Group of Seven.

Perfectly sincere or not, the mere fact that party rebels described rampant lying as a firing offense for their erstwhile leader remains a point in British political culture's favor. So, too, is a parliamentary system that makes it possible to oust an unfit national leader without waiting for a new election or enduring an impeachment crisis. It's up to the Conservative parliamentary majority to choose a new party leader, who will automatically become erated them. However, all is not well. prime minister—after what should be

Arkansas Democrat Established 1878

**Eliza Hussman Gaines** 

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Arkansas 🕷 (Gazette Established 1819

Arkansas Democrat Tax Gazette

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### Storm on the horizon

**OPINION** 

HENRY OLSEN THE WASHINGTON POST

ecent poll results have some on the left believing that Democrats still have a shot at keeping control of the Senate and perhaps even the House. But that glimmer of hope is very faint.

The case for Democratic optimism goes something like this: Yes, President Biden is deeply unpopular—more unpopular at this point in his presidency than any other president since Harry Truman, according to FiveThirtyEight.

Despite that, the Democratic Party's numbers in the generic congressional ballot, which asks respondents which party's candidates they would back if the election were held today, are higher than Biden's approval rating. Plus many voters who are unhappy with Biden are also uncommitted in congressional races.

That gives Democrats the chance, according to this view, to convince these voters that Democrats deserve another opportunity to govern despite their record over the past two years.

Perhaps, but the history of undecided voters suggests that's not likely. A late June Politico-Morning Consult poll shows that Biden had a net minus 12 percent job approval rating-43 percent approved versus 55 percent who disapproved—while Democrats were ahead in the

generic congressional ballot 45 to 42. That difference is largely due to two factors:

nevertheless support their party, and indepen-

dents unhappy with Biden who are undecided. These findings are replicated in virtually every other recent poll that publishes similar data. The most recent NPR-Marist and Monmouth polls also show that the undecided vote comes

almost entirely from independents who disap-

prove of Biden. History shows that these voters tend to break sharply against the president's party by election day. Then there's the question of sample bias. A

poll's results are only as good as its ability to accurately reflect the demographic characteristics of the voting population. Each of the midterm polls listed above has a sample in which Demo-

crats outnumber Republicans by between four and 6.5 points.

Polls are simply snapshots, and it's possible that Biden will recover by the fall. It's also possible that Democrats replicate Ronald Reagan's performance in the 1982 midterms, when Republicans kept their Senate majority even though Reagan was deeply unpopular and the GOP lost 26 House seats and working control of that chamber.

But it's fair to say that with Democratic displeasure with Biden on the rise, few if any in his party think he's likely to pull that miracle off.

Election prognostication this far off is a bit like weather forecasting: What appears to be a major storm could fizzle out as the front moves closer. But right now, it looks like a Category 5 political hurricane is taking form offshore. And it's headed right toward Democratic central. Democrats who are unhappy with Biden who