



IMF Warning of Global Inflation: Money Losing Value. Expert Says 'US Will Be Hit First'

The International Monetary Fund issued a report about inflation that warned of devaluation and drastic price increases. Dimitri Speck, a financial analyst in Munich, says that the world has never had such a high debt as now that it cannot be paid off through payments, but through inflation or taking people's private savings. He further stated that the US will be hit first, as it is the world's leading currency. He said that inflation is used to wage wars, stimulate the economy in the short run, and to prevent banking crises. I explain the mechanism of inflation in the video below the article. -GEG

The International Monetary Fund issued a report analyzing possible inflation tendencies and warned of devaluation and drastic price increases. German analysts have commented on the issue in interviews with Sputnik.

"Things are getting more expensive," Jochen Stanzl, a chief market analyst at the Frankfurt-based CMC Markets [told Sputnik](#).

According to Stanzl, the important question – if the inflation occurs – is whether "central banks will be able to deal with it."

“I believe central banks won’t be able to raise the rates as fast as they need to,” he said, adding that this is where the core problem lies.

His point of view is supported by Munich-based financial analyst Dimitri Speck.

“We are living in a heavily over-indebted world economy,” he told Sputnik.

“The global economy has never had such a high debt as now. And this debt, apparently, cannot be reduced by regular repayments, but rather by inflation or by the expropriation of private savings,” the expert argued.

According to Speck, inflation is a consequence of state action aimed at “creating demand” and “preventing banking crises.”

It is also used to “stimulate economy in the short run” and to wage wars.

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G. Edward Griffin explains inflation: