

Ignoring economists' warnings about inflation, Tom Malinowski voted for trillions of new federal spending that has fueled higher prices on groceries, household goods and other staples of life.

### Economists have warned about inflation:

- In March 2021, Larry Summers, the former Treasury secretary expressed concerns “that big government spending could overheat the economy and send inflation rocketing higher.” “Federal Reserve officials pushed back on Thursday against concerns raised by two prominent economists – Lawrence H. Summers, the former Treasury secretary, and Olivier J. Blanchard, a former chief economist at the International Monetary Fund – that big government spending could overheat the economy and send inflation rocketing higher.” (Jeanna Smialek, “Larry Summers Warned About Inflation. Fed Officials Push Back.” [The New York Times](#), 3/25/21)

*Editor's Note:* Larry Summers is “one of the most influential economists of our time.”

- Summers has referred to Democrat spending as “the ‘least responsible’ fiscal policy in 40 years while predicting that it had a one-in-three chance of precipitating higher inflation and maybe stagflation.” “Those warnings have grabbed headlines and spurred debate over the past two months as details of the federal government’s \$1.9 trillion pandemic relief bill came together. Mr. Summers in particular has kept them up since the legislation passed, saying it was too much on the heels of large spending packages last year. He recently called the approach the “least responsible” fiscal policy in 40 years while predicting that it had a one-in-three chance of precipitating higher inflation and maybe stagflation, or a one-in-three chance of causing the Fed to raise rates and pushing the economy toward recession.” (Jeanna Smialek, “Larry Summers Warned About Inflation. Fed Officials Push Back.” [The New York Times](#), 3/25/21)
- “Larry Summers is urging Washington to tap the breaks on stimulus – or risk unleashing a serious burst of inflation.” (Matt Egan, “Larry Summers sends stark inflation warning to Joe Biden,” [CNN Business](#), 5/27/21)
- The International Monetary Fund warned that “central banks such as the Federal Reserve should be prepared to tighten policy in case inflation gets out of control.” “Central banks such as the Federal Reserve should be prepared to tighten policy in case inflation gets out of control, the International Monetary Fund warned in a report Tuesday. While the IMF said it largely concurs with assessments from the Fed and many economists that the current global spate of price increases eventually will ease, it noted there is ‘high uncertainty’ around those forecasts.” (Jeff Cox, “IMF warns on inflation, says the Fed and others should be prepared to tighten policy,” [CNBC](#), 10/12/21)

*Editor's Note:* These warning precede Malinowski's vote on the Infrastructure Investment and Jobs Act in November 2021, which has been deemed to have contributed to inflation.

- Federal Reserve officials warned “about the economic impact of decades-high inflation” and the means necessary to “combat surging prices.” “An increasing number of Federal Reserve officials have recently spooked markets by warning about the economic impact of decades-high inflation and how the central bank will need to aggressively raise interest

rates, as well as ‘rapidly’ reduce its balance sheet, to combat surging prices.” (Sergei Klebnikov, “More Fed Officials Are Sounding The Alarm On Inflation And Spooking Markets,” [Forbes](#), 4/14/22)

## American Rescue Plan

### Tom Malinowski voted in favor of H.R. 1319, or the “American Rescue Plan Act,” a partisan coronavirus relief package that cost nearly \$2 trillion, that led to record inflation:

- **Malinowski voted YEA on H.R. 1319, or the “American Rescue Plan Act.”** (H.R. 1319, [Roll Call #72](#), Passed 220-211: R 0-210, D 220-1, Malinowski Voted Yea, 3/10/21)
- **The American Rescue Plan is a \$1.9 trillion coronavirus relief package.** “President Biden signed the \$1.9 trillion coronavirus relief package on Thursday. The colossal bill, known as the American Rescue Plan, allocates money for vaccines, schools, small businesses and anti-poverty programs such as an expanded child tax credit that will mean new monthly payments to many parents.” (Barbara Sprunt, “Here’s What’s In The American Rescue Plan,” [NPR](#), 3/11/21)
- **The American Rescue Plan passed through Congress on a partisan basis.** “The American Rescue plan made it through Congress with only Democratic support, making it stand out from the bipartisan COVID relief plans Congress passed over the last year.” (Savannah Behrmann, “Takeaways from the COVID-19 stimulus bill passing Congress: Weeks of partisan fighting comes to an end with a win for Biden,” [USA Today](#), 3/10/21)
  - **Democrat Jared Golden of Maine was the sole Democrat to oppose the American Rescue Plan.** “Democratic Rep. Jared Golden of Maine, who also voted against the original House version, was the sole member to break ranks. Golden argued in late February that many of the provisions in the nearly \$1.9 trillion pandemic relief package were not directly related to the pandemic or should be addressed in stand-alone bills.” (Jennifer Shutt, “House sends massive coronavirus relief bill to Biden,” [Roll Call](#), 3/10/21)
- **According to a regional Federal Reserve Bank analysis, the American Rescue Plan boosted inflation.** “Inflation is likely getting a temporary boost from the \$1.9 trillion coronavirus relief package that the Biden administration ushered in early this year, new Federal Reserve Bank of San Francisco research released on Monday suggested.” (Jeanna Smialek, “A regional Fed analysis suggests Biden’s stimulus is temporarily stoking inflation.,” [the New York Times](#), 10/18/21)
  - **The United States spent a lot more on stimulus when compared to other countries, “and the stimulus that most stands out is Biden’s \$1.9 trillion American Rescue Plan.”** “A recent article published by the Federal Reserve Bank of San Francisco makes this point. The authors – Óscar Jordà, Celeste Liu, Fernanda Nechio, and Fabián Rivera-Reyes – compare core inflation in the US to the average of eight wealthy countries (the United Kingdom, France, Germany, Canada, the Netherlands, Norway, Sweden, and Finland). Before 2021, these and the US had similar inflation levels. Then the US’s shot up. The authors don’t mince words about why they think that is, writing: ‘Estimates suggest that fiscal support measures designed to counteract the severity of the pandemic’s economic effect may have contributed to this divergence by raising inflation about 3 percentage points by the end of 2021.’ That is: The US did a lot more stimulus than these other countries, and now it’s seeing a lot more core inflation. And the

stimulus that most stands out is Biden's \$1.9 trillion American Rescue Plan — because it was enacted after more than \$3 trillion had already been spent to stimulate the economy under Trump, with one big chunk of that being approved just three months prior.” (Andrew Prokop, “Biden's American Rescue Plan worsened inflation. The question is how much.” [Vox](#), 5/12/22)

- **“We put gasoline on the fire. That's basically what the ARP did. It was almost written as if we didn't just pass a trillion-dollar stimulus in December,' said Goldwein.”** (Andrew Prokop, “Biden's American Rescue Plan worsened inflation. The question is how much.” [Vox](#), 5/12/22)
- **Researchers found that the American Rescue Plan might raise the vacancy-to-unemployment ratio close to its historical peak in 1968, fueling inflation.** “Based on the package's size and using historical evidence on how fiscal spending affects the labor market, the researchers found that the American Rescue Plan might raise the vacancy-to-unemployment ratio close to its historical peak in 1968, fueling some inflation — but that the price impact would be small and short-lived.” (Jeanna Smialek, “A regional Fed analysis suggests Biden's stimulus is temporarily stoking inflation.” [the New York Times](#), 10/18/21)
- **The American Rescue Plan extended supplemental unemployment benefits.** “The American Rescue Plan extended unemployment benefits until September 6 with a weekly supplemental benefit of \$300 on top of the regular \$400 benefit.” (The White House, [“American Rescue Plan,”](#) Accessed: 11/1/21)
  - **COVID-related unemployment benefits contribute to inflation.** “5) Low-wage workers are finally getting raises. Full-service restaurants saw no inflation in April, but fast-food establishments jacked up prices significantly. ... With their savings buttressed by stimulus checks — and, for the previously laid off, their sustenance assured by \$300-a-week federal unemployment benefits — many American workers have become newly empowered to turn down lousy job offers. This, combined with resurgent demand, has produced a shortage of labor in some sectors, forcing firms to raise wages to attract new hires.” (Eric Levitz, “THE ECONOMY JUNE 8, 2021 The Case for (and Against) Worrying About Inflation,” [NY Mag](#), 6/8/21)
- **In June 2022, U.S. inflation hit it's highest rate since 1981.** “Consumer prices surged 8.6% last month from a year earlier, faster than April's year-over-year increase of 8.3%, the Labor Department said Friday. The new inflation figure, the highest since 1981, will heighten pressure on the Federal Reserve to continue raising interest rates aggressively.” (Christopher Rugaber, “US inflation at new 40-year high as price increase spread,” [AP](#), 6/10/22)

### **Inflation has led to higher prices on various cost of living expenses:**

- **Inflation has led to higher prices on groceries, and “cost of living expenses.”** “Though some workers have received pay increases, their salaries aren't keeping up with widespread inflation. And inflation has pushed up rent and cost of living expenses, which is curbing some households' ability to save money. No food category saw a price decrease in 2021 compared to 2020, according to the United States Department of Agriculture (USDA). And the department predicts food prices to rise a total of 5% to 6% in 2022, according to its April report. For consumers who were already cash-strapped, record inflation leads to

even more pressure to rein in spending and juggle strained budgets.” (Lisa Rowan, “When Everything Is More Expensive, Is It Even Possible To Save Money On Groceries?” [Forbes Advisor](#), 5/3/22)

- **Costs are going up for various groceries, including eggs, chicken, milk, and butter.** “Food prices at the grocery store rose 0.9% from March and 9.4% from the year prior. Eggs, chicken and milk were among those hit hardest. The cost of eggs rose 10.3% from last month, while milk was up 3.1% and chicken prices increased 3.4%. Butter increased 3.7% month over month, compared with a 7.1% hike in margarine prices.” (Michelle Fox, “Inflation is costing U.S. households an extra \$341 a month. Here’s what’s more expensive and how you can save some money,” [CNBC](#), 5/12/22)
- **“As inflation continues to rise across the globe, the United States is on the verge of a cost of living crisis, an economist has warned.”** “As inflation continues to rise across the globe, the United States is on the verge of a cost of living crisis, an economist has warned. Mohamed El-Erian told CNBC on 11 May: ‘It’s just a matter of time before we’re talking about a cost of living crisis.’” (Kate Whiting, “Cost of living: This chart shows how the price of products has risen in the US,” [World Economic Forum](#), 5/25/22)
- **“U.S. households are spending an additional \$341 a month to purchase the same goods and services compared to a year ago due to inflation above typical inflation of 2%.”** “Consumer prices rose 8.3% in April from a year ago. As a result, U.S. households are spending an additional \$341 a month to purchase the same goods and services compared to a year ago due to inflation above typical inflation of 2%, according to an analysis by Moody’s Analytics senior director Ryan Sweet.” (Michelle Fox, “Inflation is costing U.S. households an extra \$341 a month. Here’s what’s more expensive and how you can save some money,” [CNBC](#), 5/12/22)
- **“Common household purchases continue to be significantly more expensive than a year ago.”** “Core inflation, a measurement that omits volatile commodities to give a more accurate picture of the rise in prices, remains at troublesome levels. The core inflation rate was 6% in May, accounting for a slight decrease from its measurement in April. Common household purchases continue to be significantly more expensive than a year ago. Food prices increased to 10.1%, the first increase of 10% or more since the period ending in March 1981.” (Kelly Anne Smith, “Inflation Hits New 40-Year High. Here’s What’s More Expensive,” [Forbes](#), 6/10/22)
- **Inflation has led to higher costs for rent, hotel rates, and airline fares.** “Housing costs are still climbing. The government’s shelter index, which includes rents, hotel rates and a measure of what it costs to own a home, increased 5.5% in the past year, the most since 1991. Airline fares are up nearly 38% in the past year, the sharpest such rise since 1980.” (Christopher Rugaber, “US inflation at new 40-year high as price increase spread,” [AP](#), 6/10/22)

## Infrastructure Investment and Jobs Act

**On November 5, 2021, Tom Malinowski voted for H.R. 3684, the Infrastructure Investment and Jobs Act, which “contributed to the worst inflation surge in decades:”**

- **On November 5, 2021, Malinowski voted for the Motion to Concur on H.R. 3684, passing the Infrastructure Investment and Jobs Act.** (H.R. 3684, [Roll Call 369](#), Passed 228-206: R 13-200, D 215-6, Malinowski Voted Yea, 11/5/21)

***Editor's Note:** 13 Republicans in the House voted for the Infrastructure Investment and Jobs Act. That list includes Don Bacon (NE), Brian Fitzpatrick (PA), Andrew Garbarino (NY), Anthony Gonzalez (OH), John Katko (NY), Adam Kinzinger (IL), Nicole Malliotakis (NY), David McKinley (WV), Tom Reed (NY), Christopher Smith (NJ), Fred Upton (MI), Jefferson Van Drew (NJ), and Don Young (AK).*

- **According to the Heritage Foundation, Biden's infrastructure bill contributed to the worst inflation surge in decades.** "The harmful effects of excessive government spending have become the most pressing issue for Americans due to the worst inflation surge in decades. Washington's reckless choice to pump trillions of dollars into the economy is the reason we face more inflation than other top economies around the world. Yet, incredibly, Congress is still planning an onslaught of additional inflationary spending bills with seemingly no end in sight... Compared to projections from February 2021, when Biden had just taken office, the latest analysis shows a combined \$2.77 trillion in additional deficits over the 2021-2031 period. The largest factor for this increase was the wasteful and opportunistic \$1.9 trillion COVID-19 package that passed with exclusively Democratic support in March 2021. The shoddy \$1.2 trillion infrastructure bill that Biden championed added even more red ink." (David Ditch, "New Charts Reveal Harms of Biden's Budget-Busting Binge," [The Heritage Foundation](#), 6/8/22)
- **Economists have determined that Biden's infrastructure plan "could add to inflation next year, before prices have had time to cool off."** "A wide range of economists agree with the president – but only in part. They generally accept his argument that in the long run, the bill and his infrastructure plan could make businesses and their workers more productive, which would help to ease inflation as more goods and services are produced across the economy. But many researchers, including a forecasting firm that Mr. Biden often cites to support the economic benefits of his proposals, say the bill is structured in a way that could add to inflation next year, before prices have had time to cool off." (Jenna Smialek and Jim Tankersley, "The White House Says Its Plans Will Slow Inflation. The Big Question Is: When?" [The New York Times](#), 11/11/21)