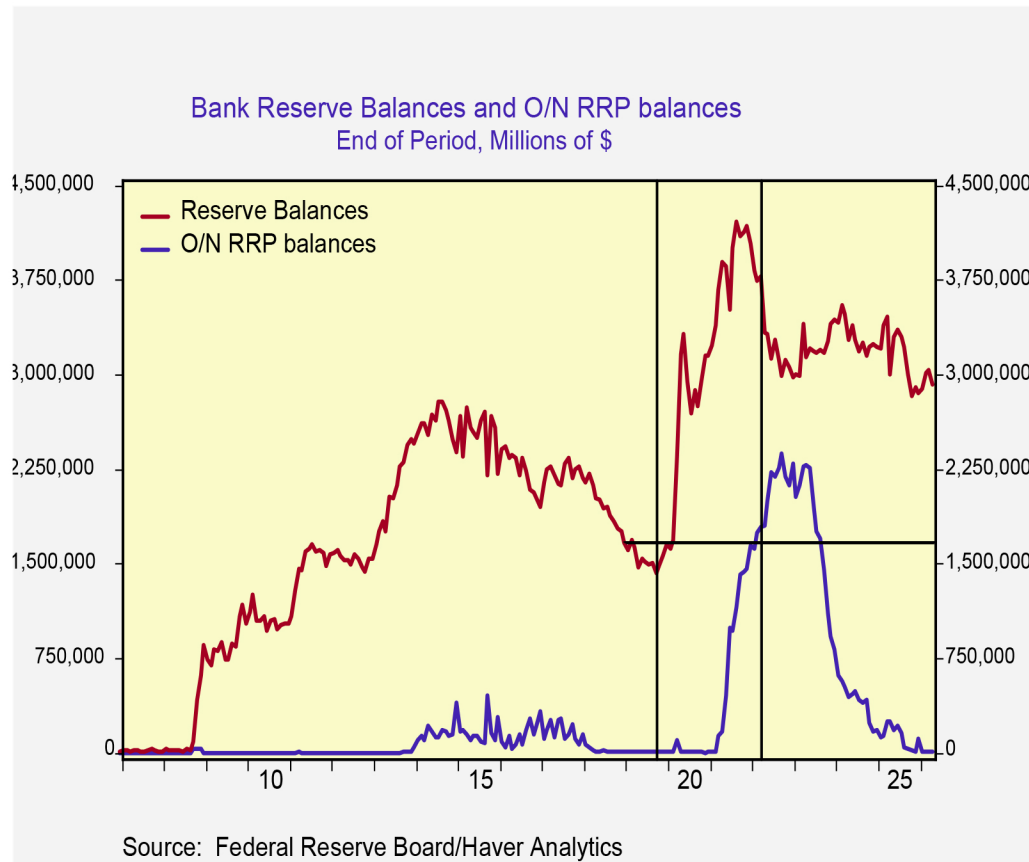


A return to pre-pandemic levels?

Kevin Warsh, WSJ, January 15, 2025



“The Fed must recognize that money matters to the conduct of monetary policy. Its bloated balance sheet has contributed significantly to inflation. By draining as much as \$2.5 trillion in excess reserves, the Fed would mitigate inflation and return its size and scope to pre-pandemic levels, hardly a period of restraint or austerity. Call it a practical monetarism to restore Fed credibility.”