

# The Bank of England tries to stop growth

The People's Bank of China is cutting interest rates and creating more liquidity in markets to boost growth. They did not buy up bonds in past years and have low inflation. Growth is around 5%

The Fed, the US Central Bank, is busy selling bonds at a loss but does not send the bill to the Treasury and taxpayers. Meanwhile the Administration and Congress has boosted the budget deficit by \$1 trillion to offset the contractionary effects. Growth hit 5% but is now slowing as the stimulus fades.

The ECB is not selling bonds at big losses, though it made the same mistake as the Bank of England in printing too much and causing inflation. They do not want to weaken their economies more.

The Bank of Japan is still creating more money and buying more bonds, with low inflation.

Only the Bank of England is continuing to tighten into a downturn with large sales of bonds, sending huge bills for the losses to taxpayers.

Why?