# Policy Conflicts

Economics

Why macroeconomic objectives cannot all be met at once.

*Objective and the conflict it creates.*

| Pursuing | Can worsen |
|---|---|
| **Lower unemployment** | Inflation |
| **Lower inflation** | Unemployment, short term |
| **Faster growth** | Current account deficit, emissions |
| **Fiscal consolidation** | Growth and unemployment |
| **Currency stability** | Monetary independence |

**Policy is choosing among these trade-offs, not solving them. Claims that one instrument achieves everything deserve scepticism.**