People's Understanding of Inflation*

Alberto Binetti, Francesco Nuzzi, and Stefanie Stantcheva

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Abstract

This paper studies people's understanding of inflation–their perceived causes, consequences, trade-offs–and the policies supported to mitigate its effects. We design a new, detailed online survey based on the rich existing literature in economics with two experimental components—a conjoint experiment and an information experiment—to examine how well public views align with established economic theories. Our key findings show that the major perceived causes of inflation include government actions, such as increased foreign aid and war-related expenditures, alongside rises in production costs attributed to recent events like the COVID-19 pandemic, oil price fluctuations, and supply chain disruptions. Respondents' anticipate many negative consequences of inflation but the most noted one is the increased complexity and difficulty in household decision-making. Partisan differences emerge distinctly, with Republicans more likely to attribute inflation to government policies and foresee broader negative outcomes, whereas Democrats anticipate greater inequality effects. Inflation is perceived as an unambiguously negative phenomenon without any potential positive economic correlates. Notably, there is a widespread belief that managing inflation can be achieved without significant trade-offs, such as reducing economic activity or increasing unemployment. These perceptions are hard to move experimentally. In terms of policy responses, there is resistance to monetary tightening, consistent with the perceived absence of trade-offs and the belief that it is unnecessary to reduce economic activity to fight inflation. The widespread misconception that inflation rises following increases in interest rates even leads to support for *rate cuts* to reduce inflation. There is a clear preference for policies that are perceived to have other benefits, such as reducing government debt in progressive ways or increasing corporate taxes, and for support for vulnerable households, despite potential inflationary effects.

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*Binetti: Bocconi University (alberto.binetti@studbocconi.it); Nuzzi: Harvard University (francesconuzzi@fas.harvard.edu); Stantcheva: Harvard University, NBER, and CEPR (sstantcheva@fas.harvard.edu). The project is approved by IRB at Harvard University (IRB24-0213).

1 Introduction

Inflation is a complex phenomenon that is still being actively researched in economics. It affects people's daily lives deeply, often causing stress and strong emotional reactions (Stantcheva, 2024). Media coverage during the current inflationary episode highlights that it is also a salient policy issue.

This paper aims to understand how people think about inflation—what they believe causes it, what consequences it has, and how it impacts different groups of people. It studies whether people understand the effects of various economic shocks and the trade-offs involved in anti-inflationary economic policies. It also examines what policies people support to fight inflation.

To do this, we conducted a large online survey with a representative group of people from the US. The questions in our survey build on the rich theoretical and empirical literatures in macroeconomics that propose models of inflation and its impacts, which helps us see how well people's views align with them. We ask about a broad range of policies, including traditional monetary and fiscal tools and less direct instruments, as well as redistributive policies to dampen the impacts of inflation on less well-off households. Furthermore, we carried out two experiments. The first is a conjoint experiment to estimate people's preferences over inflation and unemployment, i.e., how they balance their concerns about inflation against unemployment. The second is an information experiment that provided information about the trade-offs between inflation and economic activity, and the limitations policymakers face in managing these issues.

Our main findings are as follows. First, the main perceived causes of inflation by respondents are government actions, particularly increased foreign assistance including war-related expenditures, and rises in production costs due to the COVID-19 pandemic, oil price volatility, and supply chain disruptions.

Respondents indicate that inflation significantly complicates household decision-making, which is seen as its most critical consequence. This complexity affects daily economic choices, along with other impacts such as shoe leather costs and heightened economic uncertainty. This cognitive cost has not been at the forefront of the economics literature relative to other efficiency costs, yet it plays a predominant role in people's minds. Respondents also anticipate negative adverse distributional effects and that lower-income groups are more likely to lose from inflation.

Notably, there are significant partisan differences in how these aspects of inflation are perceived. Democrats tend to blame the government less and businesses more for inflation. Republicans anticipate overall more negative consequences of inflation, including on growth, the value of the dollar, resource misallocation, firms' decisions, trust in government, and national prestige. However, Democrats are more likely to anticipate negative inequality impacts from inflation.

Our findings also highlight a general perception of inflation as unequivocally negative, rarely

associated with positive economic indicators or developments. In that sense, there is no perceived trade-off between inflation and economic activity or unemployment among respondents. There also appears to be a widespread belief that managing inflation does not require significant trade-offs, such as reducing economic activity or increasing unemployment.

Our information experiment aimed at explaining some potential trade-offs slightly improved understanding that inflation could result from positive developments, yet it failed to alter perceptions about the constraints faced by policymakers or to shift support for specific anti-inflationary policies. One interpretation of our findings is that there is a deeply ingrained perception among respondents that inflation is inherently negative, occurring concurrently with other adverse events. This belief is coupled with the expectation that inflation should be combated through policy measures that do not incur additional economic costs.

Furthermore, inflation is considered a high policy priority by respondents. In our conjoint experiment designed to estimate preferences over inflation and unemployment, the weight given to inflation by respondents is double that assigned to unemployment. Despite this focus on inflation, there is little support for monetary tightening measures, consistent with the perceived absence of trade-offs and the belief that it is unnecessary to reduce economic activity to combat inflation. This is also in line with the widespread misconception that inflation rises following increases in interest rates, leading to a preference for *rate cuts* as a measure to combat inflation. Instead, there is considerable support for policies such as increasing corporate taxes or taxing top incomes, which are also seen as providing other benefits. There is also strong backing for policies that assist vulnerable households in coping with inflation, even though such policies might themselves be inflationary.

Our paper contributes to several strands of the literature. First, our survey aims to elicit in detail people's perceptions of inflation's causes, consequences, distributional impacts, and induced trade-offs. Our survey questions are motivated by the rich theoretical and empirical literatures in macroeconomics. We will discuss these papers in each of the relevant sections below, instead of here. Whenever applicable, we also compare our findings on people's perceptions to the empirical findings from different papers, also presented in the corresponding sections.

In addition, our work relates to studies on attitudes towards inflation or policies to combat price increases, primarily using survey methods. Shiller (1997) and Stantcheva (2024) study why people dislike inflation, the latter focusing on people's personal impacts from and reactions to inflation. Inflation aversion is also documented in van Lelyveld (1999), Easterly and Fischer (2001), Scheve (2003), Scheve (2004), Howarth and Rommerskirchen (2016), Aklin et al. (2022). Closely related are Andre et al. (2022) who study how people think about macroeconomic shocks, which we also ask about to assess people's knowledge of the dynamics of inflation. Andre et al. (2021) study

people's narratives about the recent inflation episode. We focus specifically on people's underlying understanding of the causes, consequences, and distributional impacts of inflation and the (lack of) perceived trade-offs, complementing the descriptive evidence with two experiments.

Our paper also relates to the literature on people's preferences over inflation and unemployment. Di Tella et al. (2001) correlate reported well-being with realized values of inflation and unemployment. They find that people report being happier when inflation and unemployment are low, and that at the margin, unemployment depresses reported well-being more than does inflation. This stands in contrast to the findings in our conjoint experiment, where the weight people put on inflation is larger than that on unemployment. Hofstetter and Rosas (2021) and Jayadev (2006) focus on preference heterogeneity across the income distribution, showing that lower-income respondents have a higher distaste for unemployment relative to inflation than higher-income ones. Other papers exploring inflation preferences are Coles and Chen (1990), Wolfers (2003), Jayadev (2008), Gandelman and Hernandez-Murillo (2009), Ruprah and Luengas (2011), Blanchflower et al. (2014), and Hübner and Klemm (2015). We do not use well-being or other indirect survey measures but instead a conjoint experiment to quantify people's preferences over inflation and unemployment.

Although we cover inflation expectations only briefly in this paper, there is a large literature on inflation expectations, reviewed in Weber et al. (2022) (see also Coibion et al. (2018), Angelico and Giacomo (2019), Cavallo et al. (2017), D'Acunto et al. (2019), D'Acunto et al. (2021), Bruine de Bruin et al. (2011), Goldfayn-Frank and Wohlfart (2020), Malmendier and Nagel (2015), Binder et al. (2023), Binder et al. (2022), and Kim and Binder (2023)).

Finally, our paper adds to the body of work using surveys to understand how people think about key economic phenomena and policies such as taxation (Stantcheva, 2021), climate change policies (Dechezleprêtre et al., 2022), and trade policy (Stantcheva, 2022).

The rest of the paper is organized as follows. Section 2 presents our sample and survey. Section 3 discusses people's perceptions of inflation's dynamics, causes, consequences, distributional impacts, and induced trade-offs. Section 4 presents respondents' preferences over inflation and unemployment, their policy views, and the results from the information experiment. Section 5 concludes.

2 Sample and Survey

2.1 Data collection and sample

We collected responses online between March and May 2024 via the survey platform Lucid.[1] These respondents are compensated based on their agreements with their respective survey panels, receiving rewards such as points, perks for partnering programs with hotels, stores, or airlines, or cash incentives. The survey took on average 33 minutes to complete, with a median time of 29 minutes (see Appendix Figure A1 for the distribution of survey duration).

We obtained 3,055 responses in total. We drop from the sample those who misreport their age or gender relative to the information provided by the survey company (359 respondents). Moreover, we manually check responses to open-ended questions and drop respondents providing bot-like or nonsensical answers. We also drop respondents providing identical values to the perception and expectation of both inflation and unemployment. Finally, we drop respondents saying that they want to both increase and decrease interest rates to combat inflation, leaving us with a final sample size of 2,264. We established specific quotas, for age, income, gender, and race. We also included screening questions at the beginning of the survey to identify and filter out inattentive respondents. Individuals failing the screening check were promptly removed from the survey and were not permitted to continue. We also excluded respondents who did not reside in the United States.

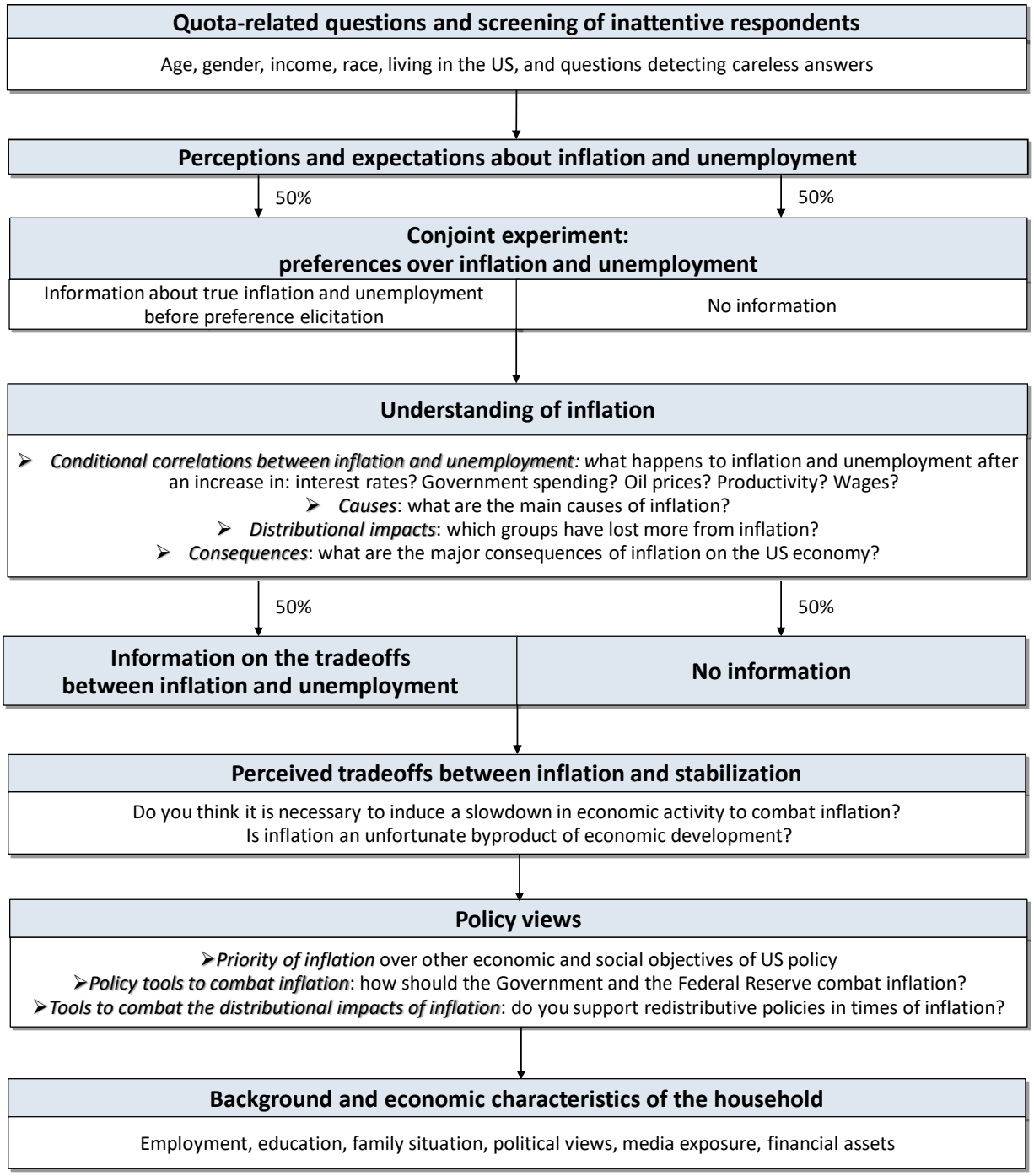
Table 1 presents a comparison between the characteristics of our sample and those of the US population. Our sample closely mirrors the targeted criteria by construction. Along non-targeted criteria, such as education status, family structure, employment status, political affiliations (Republicans, Independent, and Democrats), and voting preferences in the 2020 election (Biden vs. Trump), our sample aligns well with the US population. However, it is worth noting that, like most online surveys, there is a slight overrepresentation of unemployed respondents, as discussed in Stantcheva (2023). Additionally, the proportion of Democrat respondents in our sample is relatively higher compared to Independents than in the overall US population, although the voting behavior in the 2020 election closely matches.

2.2 Survey structure

Figure 1 summarizes the survey structure. The full questionnaire can be found in Appendix A.3. The survey questions are designed to avoid priming respondents. For example, even if economic theory or evidence clearly indicates the direction of an effect, our survey questions include a bilat-

[1] Lucid functions as a survey marketplace that aggregates respondents from diverse panels.

FIGURE 1: SURVEY FLOW



eral scale that enables respondents to express their perspective on the direction of that effect. We now provide more details on each survey blocks. The survey starts with a consent form and basic demographic information that includes age, gender, income, and race.

1. Perceptions and expectations about inflation and unemployment. We collected information on the respondents' perceptions and expectations of inflation and unemployment in the US. To avoid variation in answers simply coming from a different understanding of the concepts of inflation and unemployment, in both cases we first provided a precise definition of these variables. This is important because there is a widespread confusion between unemployment rates and the share of people not working (which includes the unemployed and those out of the labor force, see Alesina et al. (2023)). To ensure comparability with previous work on inflation, we used the formulation of the Survey of Consumer Expectations.[2]

2. Conjoint experiment: eliciting preferences over inflation and unemployment. We used a conjoint experiment to study the respondents' preferences for inflation and unemployment, i.e., how they trade them-off. We describe this in detail in Section 4.3.

3. Understanding of inflation

3.1 Perceived conditional correlations between inflation and unemployment. We elicited the respondents' perceived conditional correlations between inflation and unemployment. Specifically, we asked them whether inflation and unemployment would increase, stay the same, or decrease following an increase in: interest rates, government spending, oil prices, productivity (technological improvements), and wages.

3.2. Perceived causes of inflation. In this section, respondents were asked about the causes of inflation using both open- and closed-ended questions about specific events or economic phenomena traditionally viewed as inflationary. We discuss these questions and our elicitation methods in greater detail in Section 3.2.

3.3. Perceived distributional impacts of inflation This survey block asks people about the extent to which different socio-economic groups and firm types gain or lose from inflation. Specifically, we asked about income groups, age groups, occupation groups, groups defined by assets (savings and debt), and firms of different sizes.

[2]The SCE questionnaire can be found here.

3.4. Perceived consequences of inflation. We also ask respondents open- and closed-ended questions on the consequences of inflation on the US economy. We cover standard efficiency effects, effects on households or firms, and other effects on the US economy and discuss these questions in greater detail in Section 3.4.

4. Experimental information treatment. Half of the respondents were randomly shown a short video emphasizing the potential tradeoffs between the two objectives of price stability and output stabilization. This video is described in detail in Section 4.3 with screenshots in Figure 4 and the full script in Appendix A.3.6.

5. Perceived tradeoffs between inflation and unemployment. In this section, we studied whether respondents perceive a trade-off between the two policy objectives of output and price stabilization. For instance, how necessary is it for policy makers to induce a decrease in households spending, or an increase in unemployment, in order to reduce inflation? How do policies designed to reduce unemployment typically affect inflation?

6. Policy views. This section investigates whether inflation is an important policy objective in people's minds and what their preferred policy instruments are. Specifically, respondents were asked about: (i) the importance of price stability relative to other economic and social objectives, such as low unemployment, economic growth, civil rights, and affordable healthcare, among others; (ii) their preferred policy tools to combat inflation, including standard monetary and fiscal policy tools, but also price or wage controls, trade policy, and anti-trust policy; (iii) their support for policies aimed at helping households deal with inflation.[3]

7. Background socioeconomic questions. Finally, we collected additional detailed information about the respondents' background socioeconomic characteristics, including: employment, education, family situation, political views, media exposure, and financial assets.

3 Understanding of Inflation

3.1 Knowledge of inflation

To first assess respondents' knowledge of inflation, we ask them a series of questions on the impacts of a series of aggregate macroeconomic shocks (increases in government spending, interest rates,

[3]To avoid priming respondents about the importance of inflation we randomize the order in which we ask policy questions and the rest of the survey blocks. The results were not affected by this randomization.

productivity, etc.) on inflation and unemployment.

Figure 5 shows the perceived impacts on inflation and unemployment of different shocks. We can compare these answers to those that would be predicted by a standard textbook model (e.g., Galí (2015)), bearing in mind that we are eliciting a perceived "empirical" link here rather than a clean model-simulated one.[4]

Perhaps the most striking finding is that almost 57% of respondents believe that inflation will increase following an increase in interest rates, and 44% believe unemployment will rise as well. The fraction of respondents who are accurate according to a textbook New-Keynesian is only 13%. The share who believe that government spending will decrease unemployment and increase inflation is 14%.

However, 40% of respondents believe that both inflation and unemployment will increase following an oil shock. For technological improvements, one fifth of respondents believe this will result in higher inflation and 43% that it will increase unemployment. This shock is perhaps hardest to map in a clean way to a textbook TFP shock.

Finally, 54% of respondents perceive wage increases to be inflationary, while less than 40% only think they will be conducive to unemployment. Around 26% of the respondents think both inflation and unemployment will increase.

Republican (and Fox News viewers) respondents are more likely than Democrats to think that wage increases and government spending are inflationary and that they may result in higher unemployment.

3.2 Perceived Causes of Inflation

We also ask respondents about their perceived causes of inflation. Given that there are many potential causes, we adopt a more sophisticated elicitation strategy, illustrated in Figure 2 and described next.[5]

3.2.1 Survey methodology

Respondents were presented with a list of seven broad economic phenomena that are potentially inflationary drivers, according to the economics literature or public discourse. They were then

[4]Questions related to the impacts of interest rates, oil prices, and government spending shocks were also asked in Andre et al. (2022), in a slightly different way: *i)* they specified the intensity of the shocks, *ii)* their increase in government spending was to finance a defense program, while ours is used to finance more support for low-income households. Table A2 reports a detailed comparison of our results with theirs.

[5]We started by asking an open-ended question concerning the primary causes of inflation: "*In your opinion, what are the primary causes of inflation?*"

asked to indicate whether or not these phenomena are important or unimportant causes of inflation.[6] We briefly outline and provide the rationale for each item on the list:

"***Government spending, debt, and taxation**, e.g., spending on social security, national defense, and healthcare, increases in government debt, or changes in the tax system*." In a textbook New-Keynesian model, expansionary fiscal policies can result in inflation if they push output above potential (Galí, 2015). The Fiscal Theory of the Price Level has also underlined the fundamental role of fiscal policy (Cochrane, 2022; Sims, 2011). Empiricially, the evidence on the effects of fiscal policy on prices and inflation has been mixed (Fatás et al., 1999; Canzoneri et al., 2001; Perotti, 2004; Mountford and Uhlig, 2009; Jørgensen and Ravn, 2022; D'Alessandro et al., 2019; Edelberg et al., 1999; Nakamura and Steinsson, 2014; Ben Zeev and Pappa, 2017; Caldara and Kamps, 2017; Ferrara et al., 2021). However, recent studies have re-emphasized the role of demand factors and fiscal stimulus packages for the increase in prices (di Giovanni et al., 2023; Blanchard and Bernanke, 2023; Bergholt et al., 2023; Eickmeier and Hofmann, 2022; Ascari et al., 2023; Rubbo, 2024).

"***Actions by the Federal Reserve Bank**, such as printing money, changing interest rates, or making announcements about future inflation and rates*." Since the seminal works of Fisher (1913), Friedman (1956) and Lucas (1980), the "quantity theory of money" - the proposition that long-run inflation is related one-for-one with long-run money growth - has been centerstage in explaining the (long-run) relation between the growth rate of money and inflation. McCallum and Nelson (2010), Sargent and Surico (2011), and Teles et al. (2016) provide recent analyses of the thoery.[7] In recent New-Keynesian models with nominal rigidities, monetary policy shapes economic activity and inflation in the short-to-medium term through interest rates (Galí, 2015; Kaplan et al., 2018; Woodford, 2003). There is a vast empirical literature on the effects of monetary policy (shocks) on output and inflation and on whether they are important quantitatively e.g., (Christiano et al., 1996; Gertler and Karadi, 2015; Romer and Romer, 2004; Uhlig, 2005; Coibion, 2012). Christiano et al. (1999) and Ramey (2016) provide extensive reviews of this and other work. McKay et al. (2016) focus on the effectiveness of Forward Guidance. More recently, Gagliardone and Gertler (2023) emphasize the role of more lenient monetary policy (coupled with oil shocks) for the Pandemic-era inflation surge. There is widespread consensus that monetary policy exerts an important role on inflation through the management of expectations and can generally have large effects; yet, it is

[6] Specifically, we inquired: "*We will now list various events and economic phenomena. For each of them, please indicate whether you consider them an important cause of inflation or not. [Not important at all; Only a little important; Very important; Extremely important]*"

[7] Interestingly, according to a 2011 survey of AEA members, most economists broadly agree with the statement that "*Inflation is caused primarily by too much growth in the money supply*" (Fuller and Geide-Stevenson, 2014)

not (or no longer) in itself a source of macroeconomic instability (Ramey, 2016).[8]

"***Increases in the costs of production**, due to e.g., increases in oil prices, energy prices, or to increases in the costs of inputs due to large-scale events in other countries, like wars or natural disasters, or to new laws and regulations*." A new theoretical literature on cost-push shocks emphasizes the important recessionary effects of energy price shocks in a heterogeneous agents New-Keynesian (HANK) open-economy model (Auclert et al., 2023), as compared to previous theoretical work featuring complete markets or permanent-income behavior (Blanchard and Galí, 2007; Medina and Soto, 2005; Bodenstein et al., 2011). A series of papers considers the macroeconomic effects of oil price shocks on inflation, including, among others Hamilton (1983), Barsky and Kilian (2004), Kilian (2009), Baumeister and Hamilton (2019), and Känzig (2021). On the causes of the recent inflation surge, Blanchard and Bernanke (2023) emphasize the strong aggregate demand and constraints on supply for the first part of the pandemic; Gagliardone and Gertler (2023) highlight the role of oil shocks, while di Giovanni et al. (2022), Ascari et al. (2024), and Bai et al. (2024) underline the importance of shocks abroad and global supply chain bottlenecks or disruptions.

"***Changes in the labor market**, such as increases in unions' bargaining power or wage increases*." Recent theoretical work by Lorenzoni and Werning (2023a) and Lorenzoni and Werning (2023b) has brought wage-price spirals and the role of disagreement over relative prices as a cause of inflation to the forefront. Ball et al. (2022), Benigno and Eggertsson (2023), Crump et al. (2024), Domash and Summers (2022) argue that the labor market did play a role in the recent surge of inflation.

"***Politicians and political interests**, e.g., politicians catering to special interest and lobby groups*." Weise (2012) looks at FOMC statements from the 70s and shows how political pressures contributed to rising inflation in that period.[9] Aisen and Veiga (2006) use panel data methods from 1960 to 1999 to show that higher political instability is associated with higher inflation.

"***Households spending more**, due to optimism about the economy, impatience, or expectations about future price increases*." Coibion et al. (2023) study how consumption responds to exogenous variation in inflation expectations, finding that Dutch households significantly increase their durable spending in response to a decrease in inflation expectations. On the other hand, Burke and Ozdagli (2023) find that higher inflation expectations are associated with an increase in spending on durable groups for specific demographic groups, while Duca-Radu et al. (2021) report that

[8]Paradoxically, Ramey (2016) concludes that because monetary policy is now much more systematic and based on more information, there are fewer true monetary policy "shocks" to identify its effects in a causal sense.

[9]This is the "political pressure hypothesis" (Weise, 2012), stemming from Burn's argument that, during the 70s, the Fed did not want to frustrate "the will of Congress to which it was responsible."

households increase their readiness to spend when they expect inflation to be higher in the future. Bachmann et al. (2015) find little impact of higher inflation expectations on households' readiness to spend on durables using microdata from the Michigan Survey of Consumers.[10]

"***Actions by firms and businesses***." The press and social media discourse uses the term "greedflation," which also appears as a dominant concern among respondents in answers to open-ended questions about the causes of inflation in Stantcheva (2024). In standard models, firms might simply be optimizing, taking into account expectations. For instance, Werning (2022) studies the causal effects of higher inflation expectations on current inflation in a series of theoretical canonical firm-pricing models. The empirical evidence on the issue is more mixed. Rosolia (2021) find that firms that are experimentally informed about inflation revise their inflation expectations but do not change their pricing or hiring decisions.[11] do not use data on actual expectations but rather future realized inflation. For the recent inflationary episode, Beaudry et al. (2024) show that changes in inflation expectations induced by supply shocks played an important role.

As shown in Figure 2, we also asked respondents to select the two most important causes of inflation from the previous list. For each of these groups, we then presented them with a more detailed list of causes. For example, if a respondent chose "Government spending, debt, and taxation" as one of the two most important causes of inflation from the previous list, they were asked to assess whether tax cuts, increases in social security spending, increases in debt, or higher government spending were important factors contributing to inflation. Finally, respondents were asked to specify their top cause of inflation from this more specific list.

3.2.2 Results

Most important broad causes of inflation. Focusing on the broad sets of causes, Figure 6 shows that the two most commonly reported ones are "Government spending, debt, and taxation," (for around 67% of respondents) and "increases in the costs of production" (for around 43% of respondents).[12] The Federal Reserve is also relatively frequently mentioned (by around 31% of respondents). In order of importance, the remaining causes are ranked as: Politics and politicians (22%), businesses (15%), the labor market (13%), and households (10%).

Perceived causes are somewhat divided along partisan lines, with Republican repsondents more likely to attribute inflation to government and the Fed's policies, and less likely to mention actions by firms as a top cause. Democrats tend to blame the government and the Fed less and businesses

[10] Jamilov et al. (2024) explores the role played by granular sentiments, i.e., fluctuations in optimism and pessimism towards a small numer of firms, in driving business cycles. Their granular sentiment index is positively associated with inflation.

[11] Gali and Gertler (1999) find an important role for forward-looking behavior, but they

[12] More detailed regression results are in Table A3.

much more than Republicans do. Labor market forces and household demand are not considered key causes by any political group. While there are no major heterogeneities in perceived causes by income, when controlling for other individual characteristics, older people are significantly less likely to mention the government or changes in the labor market as top causes of inflation, while more likely to mention politicians and actions of firms and businesses as major causes of inflation compared to young people.

Figure 17 shows that respondents' main source of news is associated with their perceived causes of inflation, even conditional on the full array of individual characteristics. Thus, Fox News viewers are significantly more likely to blame the government and less likely to blame firms and businesses. The opposite holds for NPR listeners.

Most important specific causes of inflation. Figure 7 dives into the more specific causes within each category by depicting the share of respondents selecting each cause as the most important one, conditional on previously having selected the broader group as one of the top two.

Under the header of government policies, increases in foreign assistance has played a major role according to people. Some partisan patterns emerge here too (see Tables A4 and A5): Republicans are more likely to perceive redistributive-type spending, such as on social security, to be the most important cause of inflation, while Democrats are more likely to attribute it to tax cuts and other types of spending (on defense and infrastructure). Within monetary policy causes, people generally believe that top causes are increases in money supply (especially among Republican respondents), *increases* in interest rates, and wrong actions by the Federal Reserve Bank (especially among Democrat respondents).

Among those who mention increases in the cost of production, the top reasons are supply chain disruptions, the pandemic, and increases in oil prices. Few respondents believe household demand is responsible for inflation, and among that group, it is by far increases in inflation expectations that are mentioned as the main cause rather than optimism. In the category of labor-market related causes, labor shortages and wage-price spirals are the most commonly chosen top causes, ahead of wage increases due to unions or labor rights.[13] A very polarized category by type of news source is the (less frequently selected) one of actions by firms and businesses. Fox News viewers believe that firms increase prices due to higher inflation expectations rather than to increase profits, while the opposite is true for CNN news viewers.

[13]Tight labor markets have been recently emphasized as an important driver of inflation (Blanchard and Bernanke, 2023; Benigno and Eggertsson, 2023).

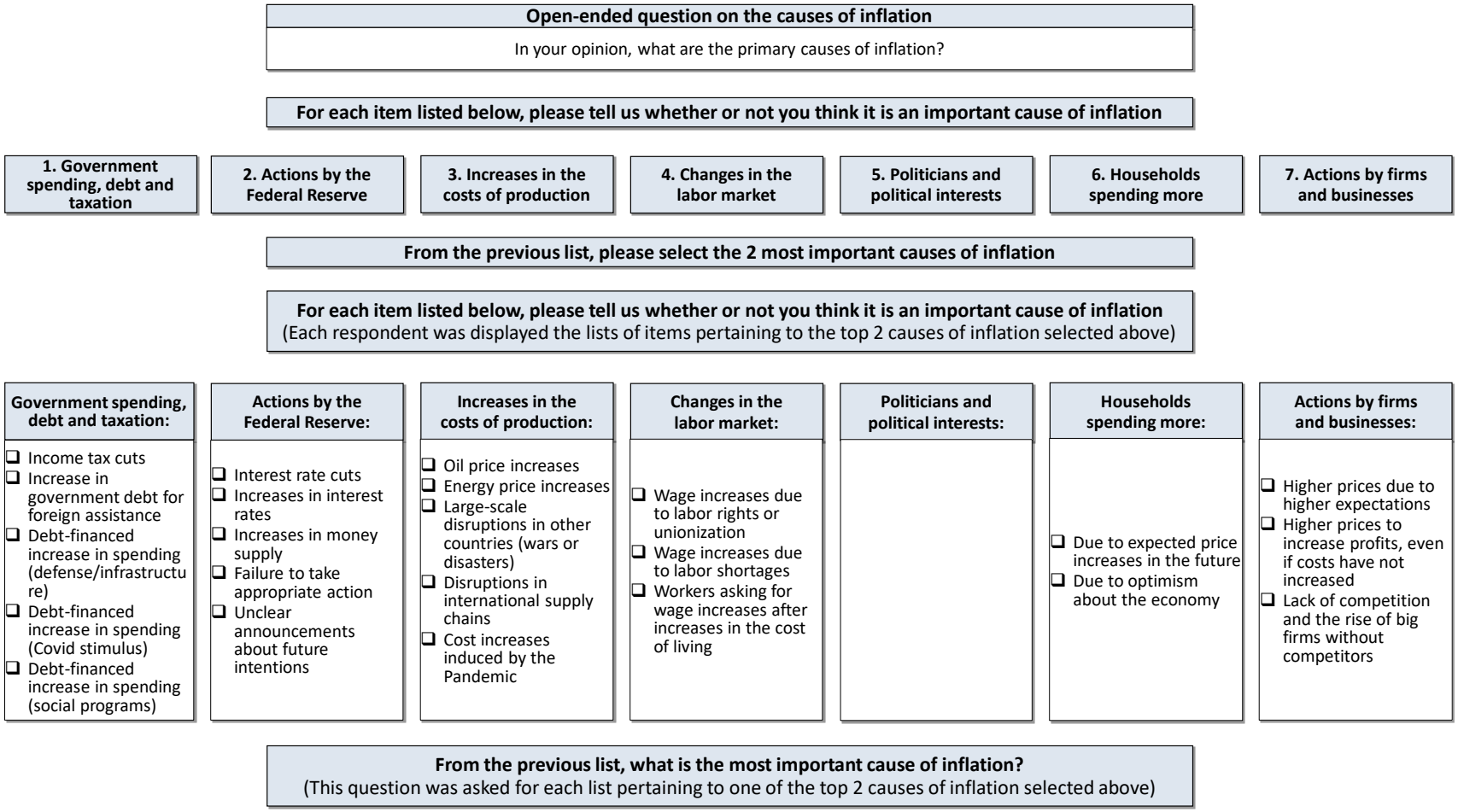


FIGURE 2: SURVEY FLOW TO ELICIT THE PERCEIVED CAUSES OF INFLATION

The top perceived causes are broadly consistent with empirical studies on the recent surge in inflation that have highlighted the impact of aggregate demand and stimulus packages, supply chain bottlenecks, and war-related increases in the costs of production (di Giovanni et al., 2023; Blanchard and Bernanke, 2023; Bergholt et al., 2023; Eickmeier and Hofmann, 2022; Ascari et al., 2023; Rubbo, 2024; di Giovanni et al., 2022; Ascari et al., 2024; Bai et al., 2024) as well as with textbook models where government spending that pushes output above potential or cost-push shocks are inflationary (e.g., Galí (2015)).

3.3 Perceived Distributional Impacts of Inflation

3.3.1 Survey Methodology

Inflation potentially affects all parts of households' budget constraints, including consumption prices, nominal savings and debt positions, assets prices, and labor income. Households are differentially exposed to the effects of inflation based on their specific circumstances.

The recent literature has focused on different channels through which inflation might amplify inequalities. First, the relative consumption channel (heterogeneous consumption baskets) suggests that inflation will affect households differently because of the basket of goods they consume, leading to a potential "inflation inequality" (Atkin et al., 2024; Argente and Lee, 2020; Beck and Jaravel, 2020; Cavallo, 2023; Collyer et al., 2019; Jaravel and Olivi, 2021; Kaplan and Schulhofer-Wohl, 2017). Jaravel (2021) provides a literature review on inflation inequality. Second, the debt devaluation (or Fisher) channel highlights that existing debt positions will matter (Doepke and Schneider, 2006; Adam and Zhu, 2016; Auclert, 2019). Third, the labor income channel arises because the incomes of different households might be adjusted for inflation to different extents, so that there will be differential impacts on their real income (Cardoso et al., 2022). Fourth, asset prices and dividend streams in response to inflationary shocks can evolve differentially based on the portfolio composition of different households (Del Canto et al., 2023). Cardoso et al. (2022) and Del Canto et al. (2023) compare the relative importance of the different channels, with the consumption channel appearing to be less important in magnitude than the other ones.

Motivated by the above literature, we ask respondents about the differential impacts of inflation on households with different incomes, ages, occupations, and assets, and on firms of different sizes.

3.3.2 Results

Figure 8 summarizes the key findings (with the full regressions presented in Tables A6-A8). Respondents believe that low-income people are much more likely to lose from inflation as compared to high-income people. 84% believe low-income people lose, while only 25% believe that high

income people will. Interestingly, this is true even among high-income respondents. These perceptions can be rationalized by (at least) two different hypotheses. On the one hand, they are consistent with the literature on inflation inequality going through the consumption channel. For instance, Jaravel (2018) shows that between 2004 and 2015, inflation rates declined linearly across income deciles using CEX-CPI data. Orchard (2022), Kaplan and Schulhofer-Wohl (2017), and Argente and Lee (2020) also show that inflation rates have been lower for higher-income households than lower-income ones.[14] On the other hand, these beliefs are also consistent with people appraising winners and losers from inflation based on (pre-existing) *levels* of, rather than *changes* in, welfare.

Respondents do not believe that inflation impacts different age groups heterogeneously. Similarly, they do not perceive retirees, the employed, and the unemployed to be affected differently. In fact, there are theoretical and empirical reasons to believe that inflation affects older and younger people differentially. Del Canto et al. (2023) find substantial heterogeneity in welfare effects across the age distribution in response to oil-shock supply contractions. For Spain, Cardoso et al. (2022) also find strong heterogeneous exposure of age groups to the aforementioned channels. Older people are more exposed because they are more likely to have a positve net nominal position, so that inflation tends to redistribute wealth from the older to the young via the Fisher channel. Furthermore, older people who work have on average higher wages which, if sticky, imply that the income channel also works in the direction of hurting older people more.

Respondents believe that those without savings suffer more than others from inflation and perceive those with more cash savings as losing a little bit more than those with financial assets. Inconsistent with the debt-devaluation channel (Fisher channel), they also perceive that those with no or low debt are less likely to lose from inflation. They correctly perceive that flexible-rate mortgage owners are more ngeatively affected than fixed-rate ones and that credit-card debt owners might be particularly affected.

Finally, the perceived impacts on large and small firms are quite distinct. Around 20% of respondents believe that big firms will lose from inflation (in fact, 56% believe that these firms will benefit from inflation), while around 75% say small firm lose out of inflation.

There are some partisan gaps in the perceived impacts on households and firms: Republican respondents are generally more likely to believe that different groups lose from inflation, particularly so when considering the impacts on high-income people, people with savings in cash and with flexible rate mortgages, and big firms. They are also less likely to think that the unemployed lose from inflation. Even conditional on political leaning, Fox News viewers are less likely to think

[14] It is less clear whether these unequal impacts are consistent with the other channels, depending on, for instance, how wages adjust for different income groups.

that inflation has adverse distributional impacts (see Figure 17). Older respondents and (to a less extent) respondents out of the labor force also systematically perceive more adverse impacts from inflation across different groups.

3.4 Perceived Consequences

3.4.1 Survey Methodology

To elicit respondents' perceived consequences from inflation, we ask an open ended question[15] and a series of closed-ended ones, motivated by theoretical and empirical litertures. As for the causes of inflation, we ask respondents to both rate the importance of different consequences and then to select their most important one. We selected the list of consequences we ask about based on the literature and briefly discuss our choices here.

Shoe-leather costs. The traditional neoclassical costs or "shoe-leather costs" of inflation capture the need for and opportunity cost of more cash. These costs are generally estimated to be small (Lucas, 2000; Ireland, 2009), or moderate in the presence of market power (Kurlat, 2019; Lagos and Wright, 2005).

Resource misallocation. The misallocation of resources is present in theoretical Calvo-style models with price stickiness and in the more recent New-Keynesian literature such as in Galí (2015); Woodford (2018), or with menu costs (Mankiw, 1985; Akerlof and Yellen, 1985). Burstein and Hellwig (2008) show that, if prices change infrequently, inflation will increase resources misallocation because it distorts relative prices compared to their efficient levels.

Uncertainty and unpredictability. Inflation might impact the uncertainty and unpredictability households need to deal with (Friedman, 1977; Dibooglu and Kenc, 2009).

Complexity. Closely related but distinct are cognitive costs due to complexity such as confusion, difficulty budgeting, and costly information processing. These have been emphasized by Shiller (1997) and Stantcheva (2024).[16]

Broader social and economic costs. We also ask households about broader social and economic costs, which are mentioned both in the media and in earlier work on perceived costs in Shiller (1997) and Stantcheva (2024) (see also Crowe (2004)). These include decreases in trust in government, social cohesion, the value of the dollar, national prestige, GDP growth, and increases in inequality.

[15] "*If prices increased by 10% over the next year, what would the major consequences for the US economy be?*"

[16] The survey question asks "*Does inflation make it simpler or more complicated for households to take daily economic decisions such as spending and saving? [Much more complicated; More complicated; Neither simpler nor more complicated; Simpler; Much simpler]*"

3.4.2 Results

Figure 9 shows the share of respondents who considers each consequence to be important or very important and Figure 10 shows the share that rank each consequence as the most important one.[17]

Around 85% of respondents perceive shoe-leather costs and complexity in daily economic decisions to be major consequences of inflation. Around 70% of respondents think that inflation leads to a decreased trust in the government and that it leads to lower GDP growth. Households generally also worry about the other listed consequences.

The most important perceived consequence is by far (35%) the increased complexity in daily economic decisions (see Figure 10). This is perhaps a cost that has received relatively less attention in the economics literature, yet is first-order in people's minds. Linking to the results in Stantcheva (2024), it is likely that the increased complexity comes in part from households' perceived decline in living standards, which forces them to rethink economic decisions and deal with tougher budgeting choices. The second most important perceived consequence of inflation is a decrease in social cohesion (15%).

Tables A9 and A10 show that Republican respondents appear more concerned with adverse effects for housheods and businesses, such as more difficult decision-making for households and firms, and menu costs, and with the broader economic consequences. They are significantly less likely to perceive increases in inequality as important (consistent with their lower likelihood of perceiving adverse distributional consequences from inflation).

High-income respondents are more likely to mention increases in inequality and a decrease in trust for the government. Overall, lower-income respondents are less likely to perceive negative impacts from inflation, which may a priori seem puzzling. But Stantcheva (2024) finds that when it comes to personal impacts, lower-income respondents report many more negative consequences.

3.5 Perceived Trade-offs

3.5.1 Survey Methodology

What is the relation between inflation and economic activity? Does policy face a tradeoff between stabillizing inflation and stabilizing unemployment and economic activity? These issues have been at the core of macroeconomic research for a long time and it is important to study how people understand these trade-offs.

The perceived link between inflation and unemployment or economic activity. We ask respondents a series of qualitative questions on the relation between inflation and unemployment.

[17] For the full regression tables, see Tables A9-A12.

Specifically, we asked: "*How do you think policies designed to reduce unemployment typically affect inflation?*," "*Do you think that inflation is most often a sign of a good, a bad economy, or neither?*," "*In general, do you think inflation occurs more frequently during times of economic growth (booms) or economic downturns (recessions)?*," and "*To what extent do you agree with the statement that inflation is an unfortunate side effect of positive economic developments, like higher employment and increased economic activity?*."

In the theoretical macroeconomic literature, the relation between inflation and unemployment (or economic activity) has been formalized by the Phillips curve (herafter, PC), which has become a fundamental building block of forecasting and monetary policy. According to a standard textbook version of the PC, inflation is determined in equilibrium by inflation expectations, the output gap (or some measure of economic slack), and cost-push shocks. A large literature has estimated the slope of the Pihillips curve, which represents the sensitivity of inflation to the output gap (or to deviations of unemployment from its natural rate) (see Phillips (1958), Samuelson and Solow (1960), Friedman (1968), and Phelps (1967)).[18] The findings have been mixed, ranging from very steep to essentially flat slopes. This is partly due to strong identification challenges, including the identification of exogenous variation in economic activity uncorrelated with cost-push supply shocks and with inflation expectations (Mavroeidis et al. (2014), Fitzgerald and Nicolini (2024) and McLeay and Tenreyro (2020)). Recently, leveraging regional variation in the US, Hazell et al. (2022) obtain estimates pointing towards a very flat Phillips Curve, a finding echoed by Beaudry et al. (2024).

Our specific aforementioned survey questions ask people about their "reduced-form view" of the link bewteen inflation and unemployment or economic activity (in contrast with the questions asking about the conditional impacts of specific shocks explored in Section 3.1). As is clear from the textbook version of the New-Keynesian Phillips Curve (NKPC), realized inflation depends not only on unemployment or other measures of economic slack, but also on inflation expectations and cost-push shocks. Respondents' answers will reflect their views of about these other factors and what the general empirical link they perceive is.

Policy tradeoffs. Respondents were also asked a series of questions about the tradeoffs faced by policy when trying to decrease inflation, specifically the extent to which it is "necessary" to (i) reduce household spending, (ii) reduce GDP growth, (iii) reduce government debt, or (iv) increase unemployment in order to decrease inflation. Answers to these questions are informative about the perceived policy tradeoffs when it comes to the dual objective of stabilizing inflation and economic

[18] Other important work includes Gordon (1981), Roberts (1995), Fuhrer and Moore (1995), Gali and Gertler (1999), and Sbordone (2002), Ball and Mazumder (2019), Coibion and Gorodnichenko (2015), Stock and Watson (2020), Barnichon and Mesters (2020), Jorgensen and Lansing (2019), and Chen et al. (2020).

activity.

Recent years have witnessed changes in the perceived trade-offs by both academics and policy-makers. Indeed, rather than thinking that "managing inflation is about moving up and down a steep Phillips curve" (Hazell et al., 2022), there has been an emphasis on the importance of alternative, complementary instruments, such as managing long-run inflation expectations (Coibion et al., 2020).[19]

3.5.2 Results

Perceived link between inflation and economic activity. Figure 11 shows that 30% of respondents believe that inflation happens more often in a boom than in a recession, 32% believe that inflation is a side effect of positive economic developments, and only 10% associate inflation with a good ecomomy. Democrats are more likely to believe that inflation can be a side effect of positive efonomic developments. Even conditional on political leaning, New York Times readers and CNN viewers are more likely to consider inflation a potential by-product of a good economy while Fox News viewers are less likely to believe this (see Figure 17). These perceptions are consistent with a generally more "stagflation"-oriented view of inflation, as also shown in Shiller (1997) and Stantcheva (2024). Less than half of respondents (35%) believe that policies designed to reduce unemployment may increase inflation.

Overall, we capture a nuanced view of inflation: some people do believe that inflation *can* be associated with positive economic developments, but it is not generally perceived to be a sign of a good economy.

Policy tradeoffs. Consistent with the above discussion, only a minority of respondents (between 30% and 40%) think that it is necessary for policy makers to induce a slowdown in economic activity to keep the inflation rate under control. People seem to think that policy does not face sharp tradeoffs when confronted with high inflation. However, around 62% of respondents think it is necessary to reduce government debt to reduce inflation.[20]

3.6 (Mis-)Perceived and Expected Inflation and Unemployment

To study the correlation between inflation and unemployment perceptions and expectations and personal characteristics and beliefs, we use Huber (1964) robust regression and different censoring

[19] See also an IMF summary of the role of expectations in the history of policy making https://www.imf.org/en/News/Articles/2023/05/15/sp-role-inflation-expectations-monetary-policy-tobias-adrian.

[20] Table A14 shows that those who believe that the government is among the most important causes of inflation are much more likely to perceive an inflation-debt tradeoff (column 4). The construction of the variables in the Table is explained in Section 4.2, while Table A15 reports the Romano Wolf adjusted p-value for each regressor.

levels. Table A16 shows the results for personal characteristics and Table A17 the correlations with underlying beliefs.

Older, higher-income respondents perceive and expect lower inflation; female respondents, Republican respondents, and those with children perceive and expect higher inflation. There is a positive correlation between expected inflation and unemployment, and the groups that perceive higher inflation also perceive and expect higher unemployment.[21] Respondents who believe the government to be one of the most important causes of inflation both perceive and expect inflation to be higher (Table A17).

4 Policy Views

4.1 Preferences over inflation and unemployment

We elicit people's preferences over inflation and unemployment using a conjoint experiment presented. This exercise provides us with the "social indifference curves" reflecting the preferences over economic states for each given respondent or groups of respondents.

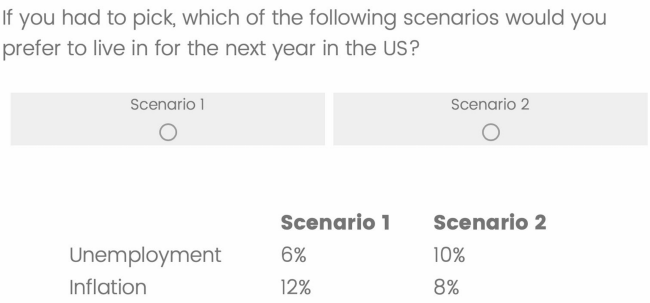
The conjoint experiment. Figure 3 provides a screenshot from a typical survey page from this experiment. Each respondent saw five questions, each describing two hypothetical economic scenarios characterized by a pair of values of inflation and unemployment. Respondents were then asked which of the scenarios they would prefer ("*If you had to pick, which of the following scenarios would you prefer to live in for the next year in the US?*"). We randomized the order in which we presented information about the values of inflation and the unemployment rate for each economic scenario and always control for this order in the analysis below. The values of inflation and unemployment were chosen from the universe of monthly realized values for each variable from the 1970s to today to ensure meaningful comparisons were asked.[22]

Given the misperceptions about the levels of inflation and, especially unemployment that we will document, we might wonder whether providing respondents with the actual levels of these variables would matter. Therefore, we randomly provide half of the respondents with the true values of inflation and unemployment before the conjoint experiment.

[21] Even though we provide the correct definition to respondents as described in Section 2, they still substantially overestimate current unemployment (the average perceived unemployment rate is 19%).

[22] The unemployment rate in each economy could take on all multiples of 2 in the interval $[2, 16]$, while the inflation rate all multiples of two in the interval $[0, 16]$.

FIGURE 3: EXAMPLE QUESTION OF THE CONJOINT EXPERIMENT



Estimating the weight on inflation relative to unemployment. To analyze the responses, our level of observation is each economy within a pair shown to a respondent. Denote by p a pair of two economies e and e'. We then run the following regression:

$$Y_{e,p,i} = \psi_i + \beta_1 \Delta(\pi)_{e,e',p} + \beta_2 \Delta(u)_{e,e',p} + \varepsilon_{e,p,i}$$

where $Y_{e,p}$ is an indicator variable equal to 1 if economy e in pair p was chosen by individual i, $\Delta(\pi)_{e,e',p}$ ($\Delta(u)_{e,e',p}$) is the difference in inflation (unemployment) between e and e' in p, and ψ_i are individual fixed effects. Errors are clustered at the individual level. β_1 (β_2) identifies, within the same individual, the effect that a one-unit increase in inflation (unemployment) has on the probability of choosing economy e in the pair, while keeping fixed the level of unemployment (inflation). This specification is similar to the one used in Saez and Stantcheva (2016).

If respondents interpret both inflation and unemployment as "bads," then we would expect $\beta_1 < 0, \beta_2 < 0$. With a linearity assumption for preferences, the ratio of the two coefficients $\lambda = \frac{\beta_1}{\beta_2}$ identifies the marginal rate of substitution between inflation and unemployment. $\lambda > 1$ implies that respondents put more weight on inflation than on unemployment, and a higher λ captures a higher weight on inflation.

Findings: how do people weight inflation relative to unemployment? Figure 12 plots the estimated λ for the full sample and various subsamples. In the overall sample, the average weight on inflation is slightly above twice that on unemployment. Thus, every percentage decrease in inflation seems to be worth more to respondents than a percentage decrease in unemployment. Some groups of respondents put an even higher weight on inflation relative to unemployment. These are Republican, lower income, and older respondents. Providing information on the current levels of inflation or unemployment seems to slightly decrease the weight on inflation (consistent

with the fact that people tend to vastly overestimate current unemployment rates).

Appendix Figures A2-A4 report the Average Marginal Component Effect (AMCE) for different groups, which represents by how much the probability of choosing an economy would change on average if one of the economoy's attributes switched levels. It is interpreted as the direct causal effect of a single attribute on the outcome of interest, while averaging over the distribution of other features (here, inflation or unemployment). These figures confirm the findings on inflation preferences shown in Figure 12.

4.2 Policy Views

Priority of inflation over other issues Figure 13 shows the share of respondents who rank various economic and social issues as the most important policy priority. Inflation is consistently ahead of other issues, including healthcare, growth, and low unemployment. This is consistent with the results of our conjoint experiment. Interestingly, gaps between different groups appear when thinking about social issues. Thus, Democrats will tend to rank inflation as a lower priority than Republicans among social issues (but not among economic ones) and younger respondents will tend to rank it lower than older ones.

One might worry that if respondents see these questions after answering multiple questions on inflation, they might simply answer that inflation is important because the issue has been made salient to them through the survey. Therefore, we randomized the order in which respondents were asked these questons. The subsample that was asked policy views questions at the start of the survey and the subsample who was asked towards the end had very similar rankings.

Monetary, fiscal, and other policies We ask respondents about their support for a variety of policies to fight inflation. It is important to note that we explicitly repeated that respondents should pick policies they believe will reduce inflation. Therefore, the support stated also informs us about respondents' perceived effectiveness of these policies to reduce inflation. Figure 15 summarizes the findings, grouping policies into different categories.[23]

First, consistent with the misunderstanding of the effects of interest rates documented in Section 3.5, 50% of all respondents support *decreasing* interest rates to fight inflation. The share supporting increases in interest rates is significantly lower, below 20%. Support for announcing interest rate increases is somewhat higher than that for outright rate increases. Decreasing money supply is supported by around 30% of all respondents. Contractionary monetary policy is significantly less supported among low-income respondents and, to a lesser extent, among Republican respondents.

[23] For detailed regression tables, see Tables A19-A20.

Second, 60% of respondents support reducing government debt by increasing taxes on high incomes. As one might expected, there are clear partisan gaps along these dimensions, with Democrats significantly more supportive of tax increases, especially on high-incomes, to finance debt reductions. While most respondents do not support reducing spending on social programs to finance reductions in government debt, the dislike is particularly pronounced among Democrats. Interestingly, Republican respondents express higher support in absolute terms for financing debt reductions by taxes on high incomes than by reducing spending on social programs (which include Medicare).

Third, other policies such as tightening anti-trust rules, increasing corporate taxes, and freezing the prices of essentials generate high support, especially among Democrats. There is significantly less support for regulating wage growth and restricting imports to curb inflation (but Republican respondents are more likely to suport restrictions in imports).

One policy with high support is noteworthy – increasing taxes on high-incomes to fund transfers to lower-incomes. Respondents seem to consider this policy to be anti-inflationary, perhaps because they consider the rich to be spending more. This policy garners 55% of overall support (69% among Democrats, and 44% among Republicans), but lower support among Fox News viewers.

The overall finding is that respondents support policies that are perceived to have incidental benefits such as, for instance, reducing government debt or redistributing income (by increasing taxes on high-incomes). They are much less supportive of monetary policies that directly tackle inflation such as increasing interest rates or reducing money supply. These policies perhaps appear costly to respondents and, in light of the fact that few acknolwedge policy trade-offs, probably not very beneficial.

Redistributive policies. An important pillar of policies to tackle inflation are measures to dampen its impacts on households and tackle its redistributive effects. We ask respondents about five policies to "help the most vulnerable groups after a rise in the cost of living:" (i) increasing the minimum wage, (ii) providing more vouchers for fuel, gas, and electricity to low-income people, (iii) providing vouchers for fuel, gas, and electricity to middle-income people, (iv) expanding the food stamps program, and (v) increasing cash transfers to low-income families. Figure 16 presents the key findings.[24]

There is consistently at least majority support for these policies but support is significantly higher among Democrat and lower-income respondents and, to a lesser extent, among younger respondents. The high support is despite these policies being at least somewhat inflationary, con-

[24]The more detailed regressions are in Table A21.

sistent with the general lack of perceived trade-offs between inflation and other outcomes.

Policy support and beliefs about inflation. We now investigate which underlying beliefs about beliefs are most strongly associated with respondents policy support. To do so, we correlate policy support with perceived causes, consequences, distributional impacts, trade-offs, and knowledge. We capture the strength of perceived consequences in three categories: *i)* efficiency and economic costs (lower dollar value, lower GDP growth, more resource misallocation, menu costs, shoe leather costs, difficult firm decisions), *ii)* broader social and economics costs (lower trust in government, social cohesion, national prestige, and higher inequality), and *iii)* cognitive costs (higher uncertainty and complexity for households). Following the methodology in Kling et al. (2007), for each category we take the average of the z-scores of all the underlying dummy variables, and further standardize this sum to have a standard deviation of one. We similarly create two additional indices to capture people's perceived trade-offs, namely whether they perceive inflation as a by-product of a good economy and whether it is necessary for policy to reduce economic activity to fight inflation. We also construct a new variable proxying for knowledge about inflation that counts how many questions respondents answer correctly when asked about the effects of specific shocks on unemployment and inflation (according to the standard textbook models discussed in Section 3.1), excluding the productivity shock which is more ambiguous. Finally, we build an index measuring a respondent's asset exposure to inflation as captured by (a proxy of) their net nominal position. The index uses information about a respondent's short term savings, house value, assets invested in mutual funds, checking accounts, mortgages, and rent. In the regression tables, we then include a dummy which is equal to 1 if a respondent has an above-median net nominal position, compared to respondents in their income bracket.[25]

Tables 2-3 show the correlation between policy views and underlying beliefs about inflation.[26] Respondents with better knowledge of inflation (i.e., those who are better able to answer the questions on how specific shocks affect inflation and unemployment according to a textbook New-Keynesian model) are more supportive of policies that reduce money supply, increase interest rates, or increase taxes on high- and middle-income people, and less supportive of policies such as decreasing interest rates, price controls on essentials, and overall redistributive policies. Perceiving more costly consequences of inflation is generally associated with higher support for policies to reduce it (even with likely misguided ones, such as reducing interest rates). Perceived cognitive, social, and political costs seem to be more strongly linked to policy views than efficiency costs.

[25]To compute assets and liabilities values, we impute 0 if the respondent does not own that asset/liability, the midpoint of each bracket, and the lower bound of the top bracket. Assets are included with a positive sign and liabilities with a negative sign. We split respondents in 3 income brackets, and compute the median net nominal position for each income bracket.

[26]Tables A22-A23 report for each regressor the Romano Wolf adjusted p-value.

Respondents who believe that inflation has inequality impacts because it hurts lower-income people more than higher-income ones are generally more supportive of all redistributive policies, including of debt reductions financed in progressive ways (e.g., taxing higher-incomes). Regarding the perceived causes of inflation, there seems to be some logical link to policy views, although it is not very clear-cut. For instance, respondents who blame inflation on firms and businesses support increasing corporate taxes, imposing price controls, and increasing anti-trust.

Importantly, respondents who perceive inflation as a by-product of a good economy are generally more supportive of a variety of policies, such as increasing interest rates (and do not support decreasing interest rates), reducing money supply, reducing government debt through taxes on high-incomes and the middle class, increasing corporate taxes, imposing wage controls, and increasing anti-trust. They are also more supportive of redistributive policies to compensate for the effects of inflation. Respondents who believe that policy faces trade-offs between reducing inflation and maintaining economic activity are also more supportive of all the policies to fight inflation, but they support decreasing instead of increasing interest rates.

4.3 Experimental effects of highlighting trade-offs

As the previous sections have shown, respondents do not generally perceive stark trade-offs between reducing inflation and hurting the economy. To the contrary, only a minority views inflation as a sign of a good economy. Those who perceive the trade-offs more starkly are more supportive of a broad range of policies to fight inflation. But this link is merely a correlation. Therefore, we implement an experimental information treatment to inform respondents about potential trade-offs.

Information treatment. Respondents saw a video explaining, in simple terms, that inflation could arise as a byproduct of positive economic developments, or as a result of policies aimed at boosting economic activity. More broadly, we emphasized that it might not always be easy for policy-makers to combat inflation and unemployment at the same time. Figure 4 shows some screenshot from the video (see the full script in Appendix A.3.6). By providing this context, we were able to observe whether knowledge of these tradeoffs actually influenced people's perceptions and beliefs about the relation between inflation and other macroeconomic variables, as well as their preferences regarding economic policies to combat inflation and its redistributive effects.

First-stage effects: Does the treatment shift respondents' perceptions of the trade-offs? Our video treatment informs a randomly selected 50% of respondents about the potential trade-offs between inflation and unemployment or economic activity. Figure 18 examines whether the treatment did shift respondents' perceptions of the trade-offs (i.e., the first-stage results). Respondents

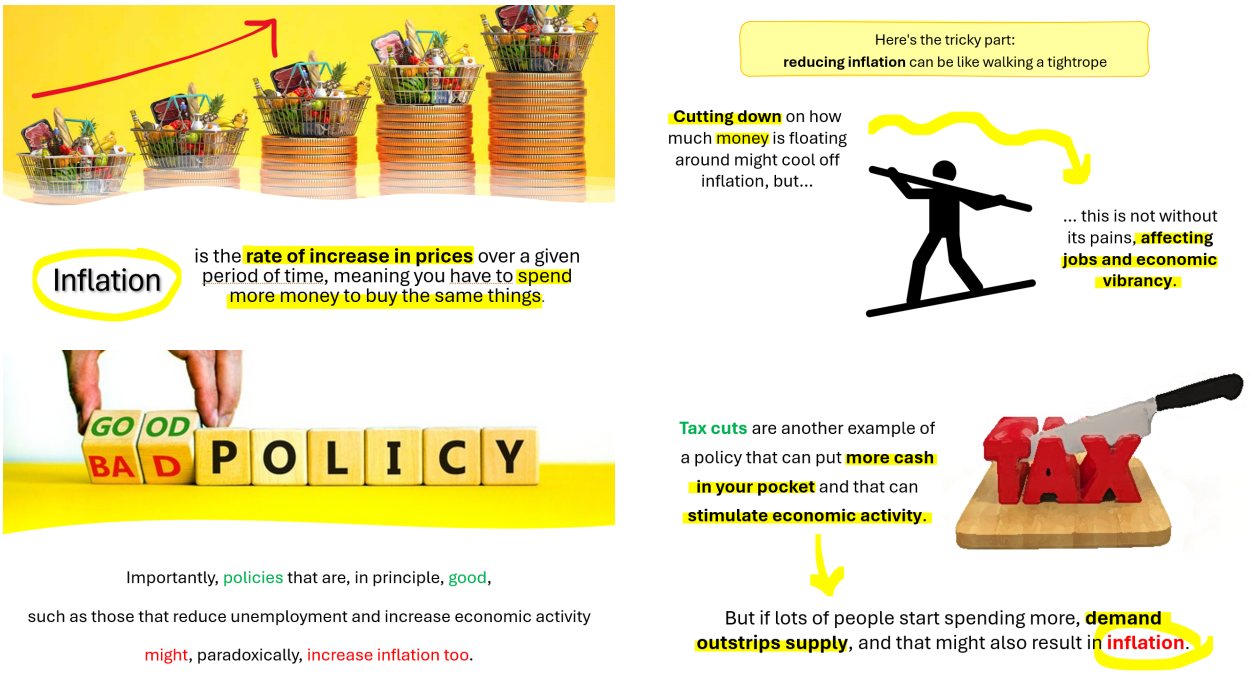


FIGURE 4: VIDEO ON THE TRADE-OFFS BETWEEN INFLATION AND UNEMPLOYMENT

who saw the treatment are significantly more likely to believe that inflation happens more often in booms, is a side-effect of positive economic developments, and that it might be increased by policies to reduce unemployment and, to a lesser extent (at the 5% significance level) that inflation is often the sign of a good economy. However, respondents are not shifted in their beliefs about policy constraints: they are not more likely to believe that it is necessary to induce reductions in unemployment, debt, growth, and spending to reduce inflation. Thus, while respondents might acknowledge inflation as a by-product, they still believe it is possible for policymakers to reduce it without jeopardizing economic activity.

Second-stage effects: Does the treatment shift policy views? The treatment does not significantly shift people's policy views on policies to reduce inflation. This is consistent with the treatment not shifting people's perceptions that policy trade-offs are strictly *necessary* and the strong belief that policy makers should be able to reduce inflation without compromising unemployment or economic activity. Even though the treatment shifts people's perceptions (first-stage effects) of inflation as more of a by-product of a good economy, this shift does not seem strong enough to move policy views. There is a mild decline in support for some redistributive policies, which seems consistent with the video shifting respondent's perceptions that inflation can be the by-product of

otherwise beneficial policies.

5 Conclusion

In this paper, we explore people's understanding of inflation using a new large-scale survey. We elicit in detail people's perceptions of the causes, consequences, and distributional impacts of inflation. The main drivers of inflation identified by respondents are actions by the government, specifically increases in foreign assistance (including for war) and increases in production costs related to the COVID-19 pandemic, oil prices, and supply chain disruptions.

The perceived consequences of inflation are extensive. The most important one according to respondents is the added complexity inflation introduces to household decision-making, making "daily economic decisions more complicated." Other significant perceived impacts include shoe-leather costs and increased economic uncertainty for households. Respondents also anticipate adverse distributional impacts of inflation, with lower-income individuals expected to bear more significant losses. We identify substantial partisan gaps in the perceptions of all these aspects of inflation.

Importantly, our findings indicate a lack of perceived trade-offs regarding inflation. Respondents view inflation as an unambiguously bad thing and very rarely as a sign of a good economy or as a by-product of positive developments. They also do not believe that policymakers face trade-offs such as having to reduce economic activity or increase unemployment to control inflation. We conducted an information experiment to explain some potential trade-offs between unemployment, economic activity, and inflation. To some extent it enhanced participants' understanding that inflation can be a by-product of positive economic developments. However, it did not significantly shift perceptions regarding the constraints policymakers face, nor did it influence support for anti-inflationary policy measures.

Moreover, inflation is seen as a high policy priority by respondents. Our conjoint experiment to elicit people's preferences over inflation and unemployment shows that the weight given to inflation by respondents is double that assigned to unemployment. Despite the aversion to inflation, there is scant backing for monetary tightening measures. This is consistent with the perceived lack of trade-offs and the belief that policies that reduce economic activity are not necessary to fight inflation. Instead, there is much more support for policies such as increasing corporate taxes or taxing top incomes, which are seen to also provide other benefits. There is also strong support for policies to help vulnerable households cope with inflation, even if those policies might themselves be inflationary.

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TABLE 1: SAMPLE CHARACTERISTICS

	Survey	US population
Targeted quotas		
Male	0.48	0.49
Female	0.51	0.51
18-29 years old	0.23	0.23
30-39 years old	0.20	0.21
40-49 years old	0.19	0.19
50-59 years old	0.19	0.19
60-69 years old	0.18	0.18
$0-$19,999	0.14	0.13
$20,000-$39,999	0.16	0.16
$40,000-$69,999	0.21	0.20
$70,000-$99,999	0.15	0.15
$100,000-$124,999	0.09	0.09
$125,000+	0.26	0.26
White	0.68	0.6
African-American/Black	0.13	0.13
Hispanic/Latino	0.10	0.19
Asian/Asian-American	0.04	0.06
Non-targeted characteristics		
Married	0.46	0.52
Single	0.37	0.35
Separated/Divorced	0.13	0.12
Widowed	0.04	0.02
Has children	0.59	0.40
Less than 4-year college	0.62	0.64
4-year college/Master's	0.34	0.32
Professional degree	0.04	0.03
Employed	0.66	0.70
Unemployed	0.10	0.03
Republican	0.28	0.26
Democrat	0.36	0.25
Independent & others	0.36	0.47
Voted in 2020 presidential election	0.74	0.61
Voted for Biden in 2020 presidential election	0.47	0.51
Voted for Trump in 2020 presidential election	0.43	0.47
Sample size	2264	

Notes. The table displays statistics for the overall U.S. population, as compared to the samples of respondents for the survey. Summary statistics for the U.S. population are constructed using IPUMS-CPS-ASEC data for 2022.

TABLE 2: CORRELATION BETWEEN MONETARY AND FISCAL POLICY VIEWS AND BELIEFS ABOUT INFLATION

	Monetary policy:				Ways to reduce debt:		
	Increase interest rate	Reduce interest rates	Reduce money supply	Announce future plans for interest rate	Tax high income	Tax high/mid income	Reduce spending on social programs
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Perceived causes of inflation							
Changes in the labor market (e.g., wage-price spirals, labor shortages)	0.055*	-0.043	0.053	-0.003	0.054	0.003	0.007
	(0.028)	(0.036)	(0.033)	(0.035)	(0.034)	(0.032)	(0.032)
Actions by the Federal Reserve (e.g, decrease interest rate, increase money supply)	0.020	0.008	0.007	0.002	0.069**	-0.062**	-0.070***
	(0.025)	(0.031)	(0.029)	(0.031)	(0.029)	(0.027)	(0.026)
Politicians and political interests	-0.006	-0.038	-0.006	-0.059*	0.043	-0.008	-0.085***
	(0.025)	(0.034)	(0.030)	(0.033)	(0.031)	(0.029)	(0.027)
Households spending more (e.g., because of optimism, because of increases in inflation expectations)	0.048	-0.049	0.040	-0.053	0.086**	0.014	-0.110***
	(0.032)	(0.039)	(0.035)	(0.037)	(0.037)	(0.033)	(0.030)
Actions by firms and businesses (e.g., decrease in competition, increase prices to increase profits)	-0.017	-0.013	-0.006	-0.002	0.162***	0.001	-0.139***
	(0.025)	(0.032)	(0.029)	(0.032)	(0.028)	(0.028)	(0.024)
Increases in costs of production (e.g., supply chain disruptions, increases in oil prices)	0.026	-0.039	-0.048*	-0.051*	0.084***	0.001	-0.111***
	(0.023)	(0.029)	(0.027)	(0.028)	(0.027)	(0.025)	(0.024)
Perceived consequences of inflation							
Cognitive costs (uncertainty & complex budgeting)	0.003	0.069***	0.028***	0.031***	0.069***	0.008	-0.001
	(0.009)	(0.012)	(0.011)	(0.012)	(0.012)	(0.011)	(0.010)
Political & social costs (trust in govt, social cohesion, inequality, lower natl. prestige)	0.030***	0.018	-0.002	0.066***	0.080***	0.019*	-0.001
	(0.010)	(0.013)	(0.012)	(0.013)	(0.012)	(0.011)	(0.011)
Efficiency & economic costs (dollar value, GDP growth, resource misalloc., menu & shoeleather costs, firms daily decisions)	-0.005	0.040***	0.011	0.045***	0.002	-0.024**	0.021*
	(0.010)	(0.013)	(0.012)	(0.013)	(0.012)	(0.012)	(0.011)
Perceived distributional impacts of inflation							
Low income lost more than high income	-0.007	0.056**	-0.039	0.063**	0.174***	0.023	-0.108***
	(0.022)	(0.028)	(0.026)	(0.027)	(0.028)	(0.024)	(0.026)
Knowledge of inflation							
Number of correct answers to conditional correlations	0.032***	-0.022*	0.051***	0.029**	-0.018	0.021**	0.020*
	(0.010)	(0.012)	(0.011)	(0.012)	(0.011)	(0.010)	(0.010)
Perceived trade-offs							
Inflation perceived as by-product of a good economy (e.g., more often in a boom)	0.061***	-0.025**	0.043***	0.039***	0.052***	0.027***	0.006
	(0.009)	(0.011)	(0.010)	(0.011)	(0.009)	(0.009)	(0.009)
Policy needs to reduce economic activity to fight inflation (e.g., reduce growth)	-0.000	0.040***	0.066***	0.056***	0.024**	0.067***	0.051***
	(0.009)	(0.011)	(0.010)	(0.011)	(0.010)	(0.010)	(0.010)
Asset exposure							
Above median net nominal position exposure	0.062***	-0.050**	-0.015	-0.010	-0.009	-0.048**	0.025
	(0.016)	(0.022)	(0.019)	(0.021)	(0.020)	(0.019)	(0.018)
Observations	2249	2248	2249	2249	2247	2248	2249
Adj. R^2	0.099	0.053	0.100	0.100	0.168	0.073	0.100
$\mathbb{E}$(Dependent variable)	0.180	0.502	0.307	0.456	0.598	0.251	0.238
Dependent variable std. dev.	0.384	0.500	0.461	0.498	0.491	0.434	0.426

Notes: Errors are heteroskedasticity robust. Controls not reported in the regression are: order of the sections (causes first vs. policy views first), order of inflation and unemployment in the conjoint section, assignment to additional information before the conjoint, treatment assignment, gender, age, political affiliation, education, income, employment status, marital status, and having kids. The omitted category for the perceived causes of inflation is "government spending, debt, and taxation". We drop respondents who support both increasing and decreasing interest rates. The sample means are calculated only on the sample of respondents that did not see the video. * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$.

TABLE 3: CORRELATION BETWEEN OTHER POLICY VIEWS AND BELIEFS ABOUT INFLATION

	Policies to combat inflation:					
	Tax high income to fund low income transfers	Increase corporate taxes	Price controls on essentials	Wage controls	Limit imports	Increase antitrust
	(1)	(2)	(3)	(4)	(5)	(6)
Perceived causes of inflation						
Changes in the labor market (e.g., wage-price spirals, labor shortages)	0.093***	0.032	0.004	0.043	0.017	0.054
	(0.034)	(0.034)	(0.036)	(0.033)	(0.035)	(0.035)
Actions by the Federal Reserve (e.g, decrease interest rate, increase money supply)	0.056*	0.058**	0.035	-0.070***	-0.069**	0.118***
	(0.030)	(0.028)	(0.030)	(0.027)	(0.030)	(0.030)
Politicians and political interests	0.028	0.050	0.060*	-0.028	-0.017	0.049
	(0.032)	(0.031)	(0.031)	(0.028)	(0.032)	(0.032)
Households spending more (e.g., because of optimism, because of increases in inflation expectations)	0.107***	0.032	0.047	0.014	-0.026	0.025
	(0.037)	(0.035)	(0.037)	(0.034)	(0.036)	(0.034)
Actions by firms and businesses (e.g., decrease in competition, increase prices to increase profits)	0.179***	0.173***	0.104***	-0.025	-0.099***	0.195***
	(0.028)	(0.026)	(0.030)	(0.027)	(0.030)	(0.030)
Increases in costs of production (e.g., supply chain disruptions, increases in oil prices)	0.084***	0.065**	0.064**	0.001	-0.082***	0.102***
	(0.027)	(0.026)	(0.027)	(0.025)	(0.028)	(0.027)
Perceived consequences of inflation						
Cognitive costs (uncertainty & complex budgeting)	0.068***	0.067***	0.070***	0.011	0.008	0.027**
	(0.012)	(0.012)	(0.012)	(0.010)	(0.012)	(0.012)
Political & social costs (trust in govt, social cohesion, inequality, lower natl. prestige)	0.059***	0.054***	0.022*	-0.021*	0.000	0.075***
	(0.012)	(0.012)	(0.013)	(0.011)	(0.012)	(0.012)
Efficiency & economic costs (dollar value, GDP growth, resource misalloc., menu & shoeleather costs, firms daily decisions)	0.000	0.004	0.017	-0.005	0.030**	0.011
	(0.012)	(0.012)	(0.013)	(0.011)	(0.013)	(0.013)
Perceived distributional impacts of inflation						
Low income lost more than high income	0.221***	0.163***	0.142***	-0.020	-0.041	0.077***
	(0.027)	(0.028)	(0.029)	(0.025)	(0.028)	(0.026)
Knowledge of inflation						
Number of correct answers to conditional correlations	-0.016	-0.008	-0.035***	0.015	0.003	0.018
	(0.011)	(0.011)	(0.012)	(0.010)	(0.012)	(0.012)
Perceived trade-offs						
Inflation perceived as by-product of a good economy (e.g., more often in a boom)	0.041***	0.032***	-0.010	0.023**	-0.010	0.034***
	(0.010)	(0.010)	(0.011)	(0.010)	(0.011)	(0.010)
Policy needs to reduce economic activity to fight inflation (e.g., reduce growth)	0.048***	0.040***	0.058***	0.095***	0.070***	0.056***
	(0.010)	(0.010)	(0.011)	(0.010)	(0.011)	(0.011)
Asset exposure						
Above median net nominal position exposure	-0.043**	-0.041**	-0.039*	0.048***	0.032	0.024
	(0.020)	(0.020)	(0.021)	(0.018)	(0.021)	(0.020)
Observations	2249	2248	2248	2248	2249	2249
Adj. R^2	0.173	0.149	0.088	0.101	0.070	0.165
$\mathbb{E}$(Dependent variable)	0.554	0.651	0.618	0.252	0.354	0.483
Dependent variable std. dev.	0.497	0.477	0.486	0.434	0.478	0.500

Notes: Errors are heteroskedasticity robust. Controls not reported in the regression are: order of the sections (causes first vs. policy views first), order of inflation and unemployment in the conjoint section, assignment to additional information before the conjoint, treatment assignment, gender, age, political affiliation, education, income, employment status, marital status, and having kids. The omitted category for the perceived causes of inflation is "government spending, debt, and taxation". We drop respondents who support both increasing and decreasing interest rates. The sample means are calculated only on the sample of respondents that did not see the video. * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$.

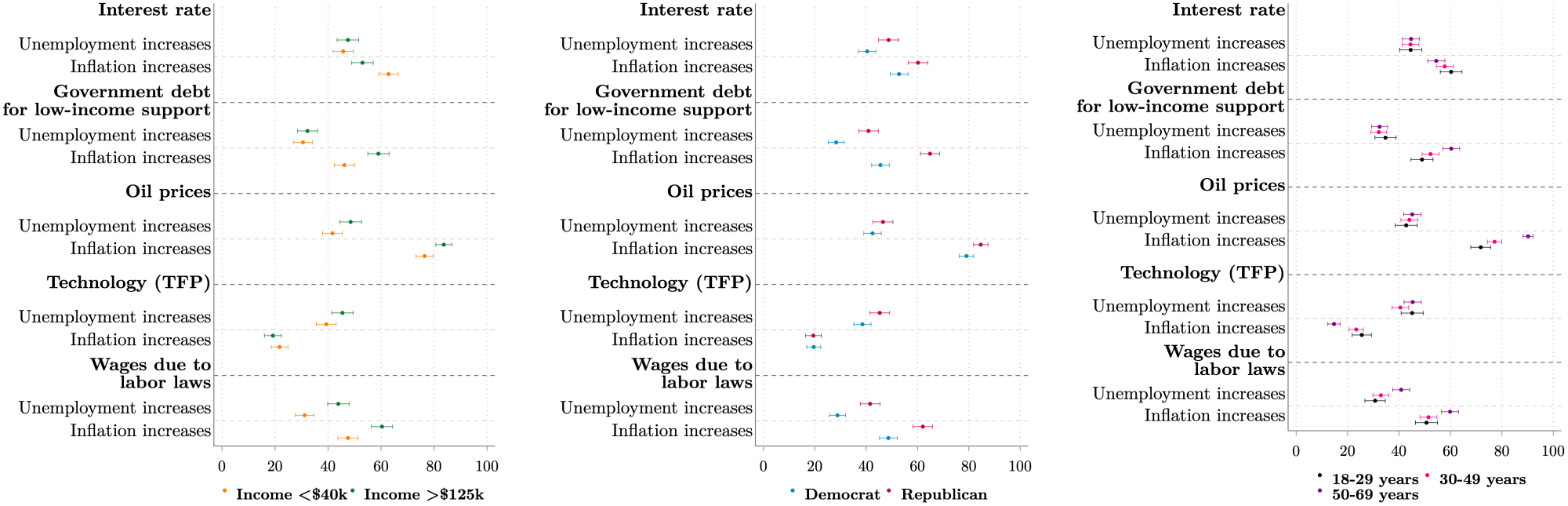
TABLE 4: CORRELATION BETWEEN REDISTRIBUTIVE POLICY VIEWS AND BELIEFS ABOUT INFLATION

	Policies to combat redistributive impact of inflation:				
	Increase minimum wage	Increase vouchers for low income	Increase vouchers for mid income	Increase food stamps	Increase low income transfers
	(1)	(2)	(3)	(4)	(5)
Perceived causes of inflation					
Changes in the labor market (e.g., wage-price spirals, labor shortages)	0.012	0.040	0.053	0.061*	0.035
	(0.034)	(0.033)	(0.036)	(0.034)	(0.035)
Actions by the Federal Reserve (e.g, decrease interest rate, increase money supply)	-0.031	0.054**	0.028	0.047*	0.033
	(0.029)	(0.027)	(0.030)	(0.028)	(0.030)
Politicians and political interests	0.011	0.041	0.084***	0.070**	0.059*
	(0.029)	(0.030)	(0.032)	(0.029)	(0.031)
Households spending more (e.g., because of optimism, because of increases in inflation expectations)	0.055	0.075**	0.076*	0.134***	0.073*
	(0.036)	(0.035)	(0.039)	(0.035)	(0.038)
Actions by firms and businesses (e.g., decrease in competition, increase prices to increase profits)	0.107***	0.081***	0.105***	0.093***	0.121***
	(0.028)	(0.028)	(0.031)	(0.028)	(0.030)
Increases in costs of production (e.g., supply chain disruptions, increases in oil prices)	0.051*	0.105***	0.097***	0.101***	0.084***
	(0.026)	(0.026)	(0.028)	(0.025)	(0.027)
Perceived consequences of inflation					
Cognitive costs (uncertainty & complex budgeting)	0.045***	0.075***	0.047***	0.059***	0.054***
	(0.011)	(0.012)	(0.012)	(0.011)	(0.012)
Political & social costs (trust in govt, social cohesion, inequality, lower natl. prestige)	0.033***	0.025**	0.018	0.034***	0.006
	(0.012)	(0.012)	(0.013)	(0.012)	(0.012)
Efficiency & economic costs (dollar value, GDP growth, resource misalloc., menu & shoeleather costs, firms daily decisions)	-0.016	-0.014	-0.004	0.001	0.001
	(0.012)	(0.012)	(0.013)	(0.012)	(0.013)
Perceived distributional impacts of inflation					
Low income lost more than high income	0.110***	0.179***	0.102***	0.189***	0.174***
	(0.027)	(0.027)	(0.028)	(0.027)	(0.027)
Knowledge of inflation					
Number of correct answers to conditional correlations	-0.047***	-0.025**	-0.049***	-0.015	-0.010
	(0.011)	(0.011)	(0.012)	(0.011)	(0.012)
Perceived trade-offs					
Inflation perceived as by-product of a good economy (e.g., more often in a boom)	0.050***	0.040***	0.020*	0.047***	0.050***
	(0.010)	(0.010)	(0.011)	(0.010)	(0.010)
Policy needs to reduce economic activity to fight inflation (e.g., reduce growth)	0.051***	0.060***	0.063***	0.044***	0.067***
	(0.010)	(0.010)	(0.011)	(0.010)	(0.011)
Asset exposure					
Above median net nominal position exposure	-0.035*	-0.073***	-0.048**	-0.071***	-0.070***
	(0.020)	(0.020)	(0.021)	(0.019)	(0.020)
Observations	2249	2249	2249	2249	2249
Adj. R^2	0.162	0.151	0.095	0.170	0.148
$\mathbb{E}$(Dependent variable)	0.656	0.664	0.570	0.674	0.567
Dependent variable std. dev.	0.475	0.472	0.495	0.469	0.496

Notes: Errors are heteroskedasticity robust. Controls not reported in the regression are: order of the sections (causes first vs. policy views first), order of inflation and unemployment in the conjoint section, assignment to additional information before the conjoint, treatment assignment, gender, age, political affiliation, education, income, employment status, marital status, and having kids. The omitted category for the perceived causes of inflation is "government spending, debt, and taxation". We drop respondents who support both increasing and decreasing interest rates. The sample means are calculated only on the sample of respondents that did not see the video. * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$.

FIGURE 5: CONDITIONAL PERCEIVED CORRELATIONS BETWEEN UNEMPLOYMENT AND INFLATION

SHARE OF RESPONDENTS SAYING THAT AFTER AN INCREASE IN ...



Notes: Each dot represents the share of respondents saying that either inflation or unemployment increase or increase a lot after the corresponding shock, alongside 95% confidence intervals.

FIGURE 6: PERCEIVED CAUSES OF INFLATION

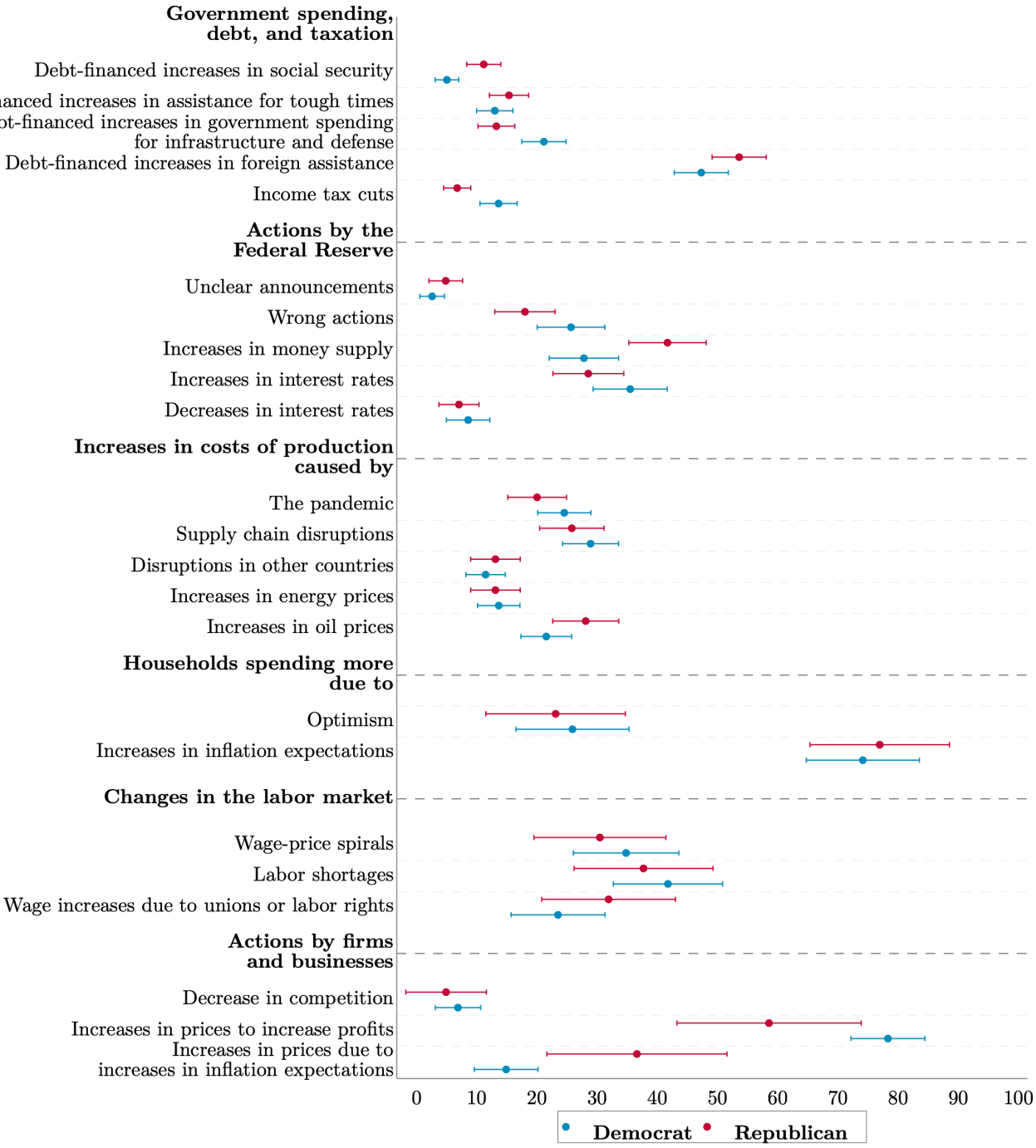
SHARE OF RESPONDENTS WHO RANK THE FOLLOWING AMONG THE TOP TWO CAUSES OF INFLATION



Notes: Each dot represents the share of respondents choosing a given cause as being among the top two causes of inflation, alongside 95% confidence intervals.

FIGURE 7: MOST IMPORTANT CAUSES OF INFLATION

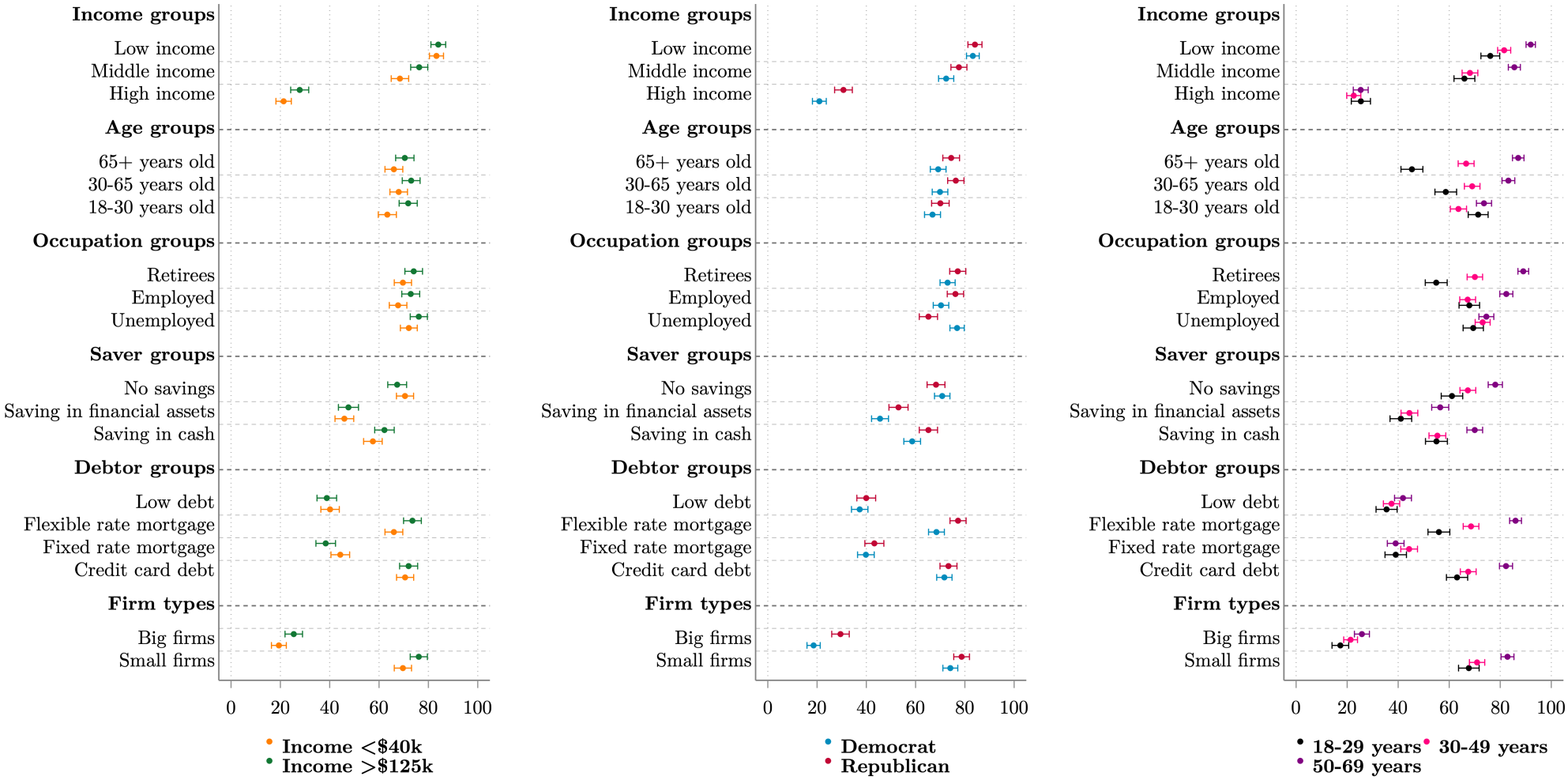
SHARE OF RESPONDENTS WHO RANK THE FOLLOWING AS THE TOP CAUSE OF INFLATION FOR EACH CATEGORY



Notes: Each dot represents the share of respondents choosing a given specific cause as the most important cause of inflation in the sub-category, conditional on having selected the cause in the header as one of the two most important ones, alongside 95% confidence intervals. Respondents were shown only the two subcategories they selected before as most important (see Figure 2).

FIGURE 8: PERCEIVED DISTRIBUTIONAL IMPACTS OF INFLATION

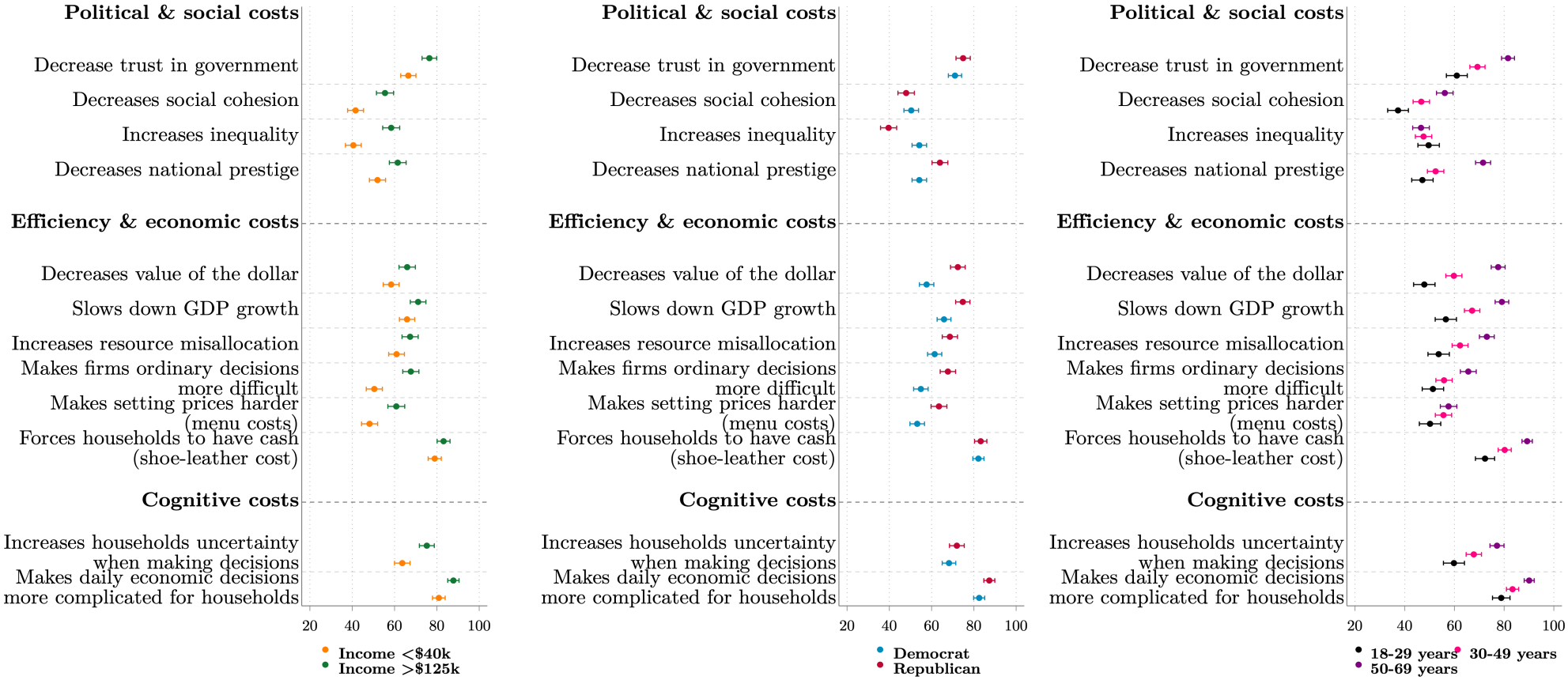
SHARE OF RESPONDENTS SAYING THAT THE FOLLOWING GROUPS LOSE FROM INFLATION



Notes: Each dot represents the share of respondents saying that that group lost a lot or somewhat because of inflation, alongside 95% confidence intervals.

FIGURE 9: PERCEIVED CONSEQUENCES OF INFLATION

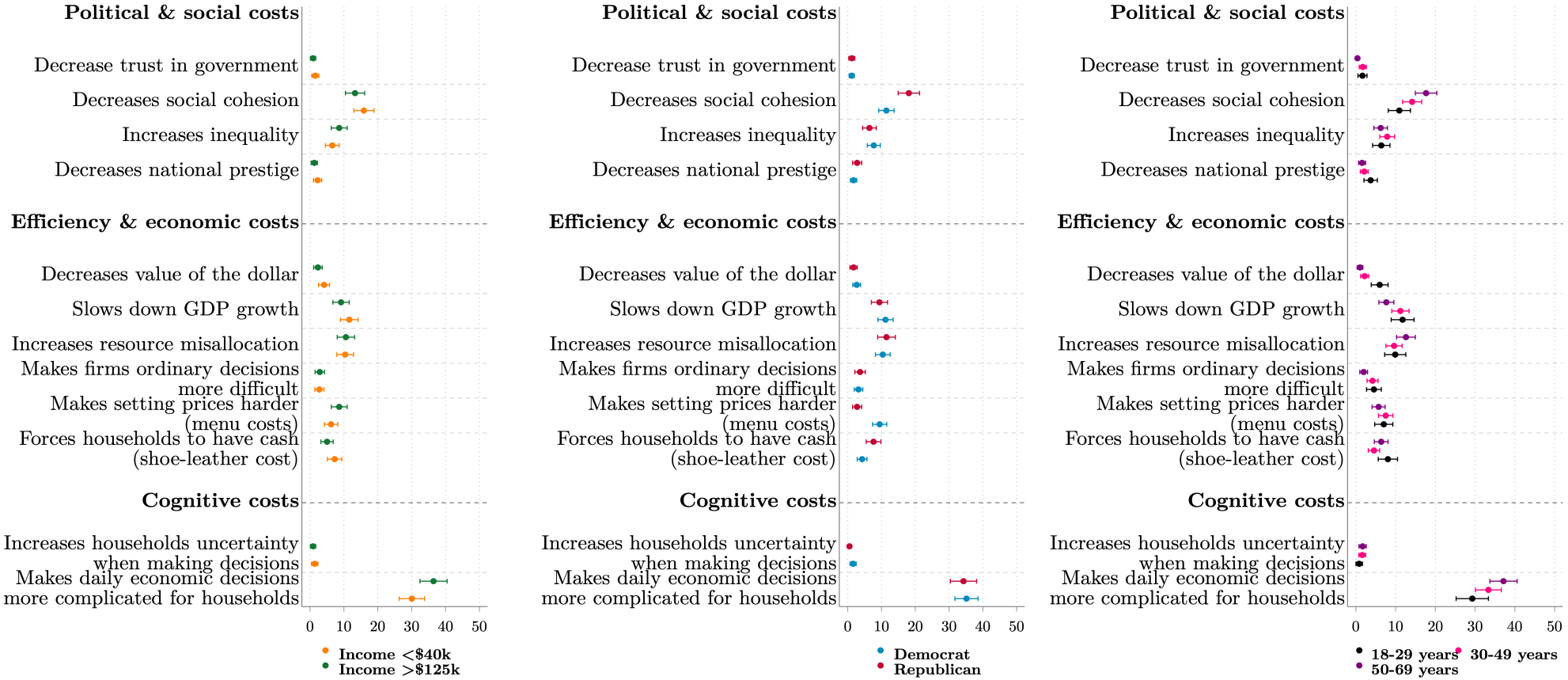
SHARE OF RESPONDENTS SAYING THESE ARE IMPORTANT OR VERY IMPORTANT CONSEQUENCES OF INFLATION



Notes: Each dot represents the share of respondents whose answers are aligned with the statement listed, alongside 95% confidence intervals. "Makes budgeting harder for households" is an indicator equal to one if the respondent says that inflation makes daily economic decisions more complicated or much more complicated. "Increases households uncertainty" is an indicator equal to one if the respondent says that inflation significantly or somewhat increases households uncertainty. "forces households to have cash" is an indicator equal to one if the respondent says that having more cash as a consequence of inflation is a moderate or very big inconvenience. "Makes setting prices harder" is an indicator equal to one if the respondent says that inflation makes settig prices more difficult or much more difficult. "Makes firms decisions harder" is an indicator equalt to one if the respondent says that inflation makes these decisions more difficult or much more difficult. "Increases resource misallocation" is an indicator equal to one if the respondent says that differential prices among firms sligthly or greatly worsens resource use in the economy. "Slows down GDP growth" is an indicator equal to one if the respondent says that inflation makes the economy grow more slowly or much more slowly. "Decreases value of the dollar" is an indicator equal to one if the respondent says that the value of the dollar decreases or decreases a lot relative to other countries with lower inflation. "Decrease national prestige" is an indicator equal to one if the respondent says that inflation decreases somewhat or a lot national prestige. "Increases inequality" is an indicator equal to one if the respondent says that inflation is associated with a higher or much higer level of inequality. "Decreases social cohesion" is an indicator equal to one if the respondent says that inflation decreases somewhat or a lot social cohesion. "Decrease trust in government" is an indicator equal to one if the respondent says that inflation decreases somewhat or a lot trust in the government.

FIGURE 10: MOST IMPORTANT PERCEIVED CONSEQUENCES OF INFLATION

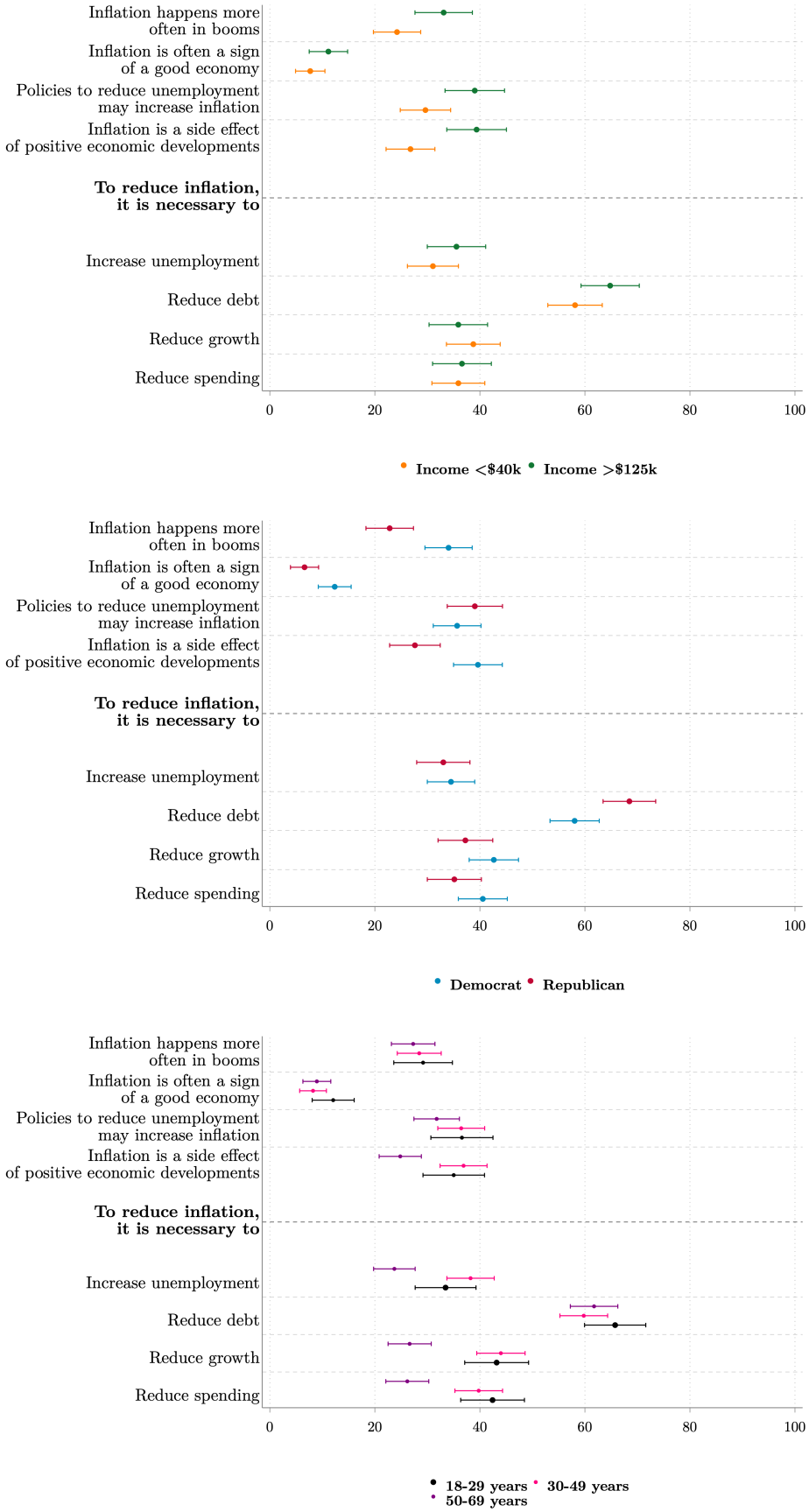
SHARE OF RESPONDENTS WHO RANK THE FOLLOWING AS THE MOST IMPORTANT CONSEQUENCE OF INFLATION



Notes: Each dot represents the share of respondents saying that the consequence on the row is the most important consequence of inflation, alongside 95% confidence intervals. Respondents were shown only consequences that, in earlier questions, they stated were important.

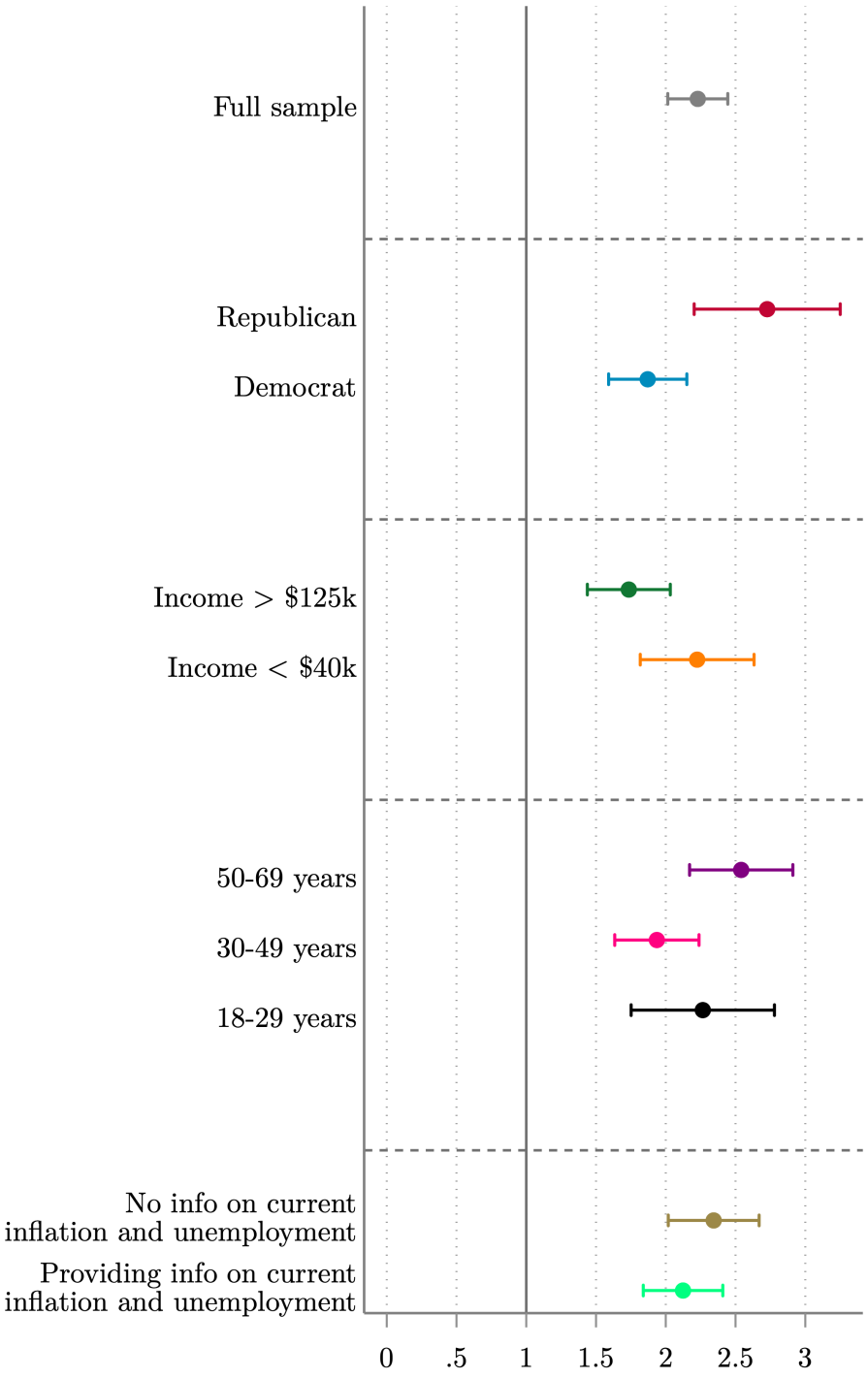
FIGURE 11: PERCEIVED TRADE-OFFS BETWEEN INFLATION AND OTHER ECONOMICS OUTCOMES

SHARE OF RESPONDENTS WHO AGREE THAT...



Notes: Each dot represents the share of respondents who agree with the statement on the corresponding row, alongside 95% confidence intervals. "Inflation happens more often in booms" is an indicator equal to one if the respondent says that inflation happens mostly or sligthly more often in booms. "Policies to reduce unemployment may increase inflation" is an indicator equal to one if the respondent says that these policies increase or significantly increase inflation. "Inflation is a side effect of positive economic development" is an indicator equal to one if the respondent agrees or strongly agrees with the statement. All the variables in the second panel are indicators equal to one if the respondent says that the trade-off listed in the row is very or extremely necessary. The sample includes only respondents who were not shown the video on the trade-offs between inflation and unemployment.

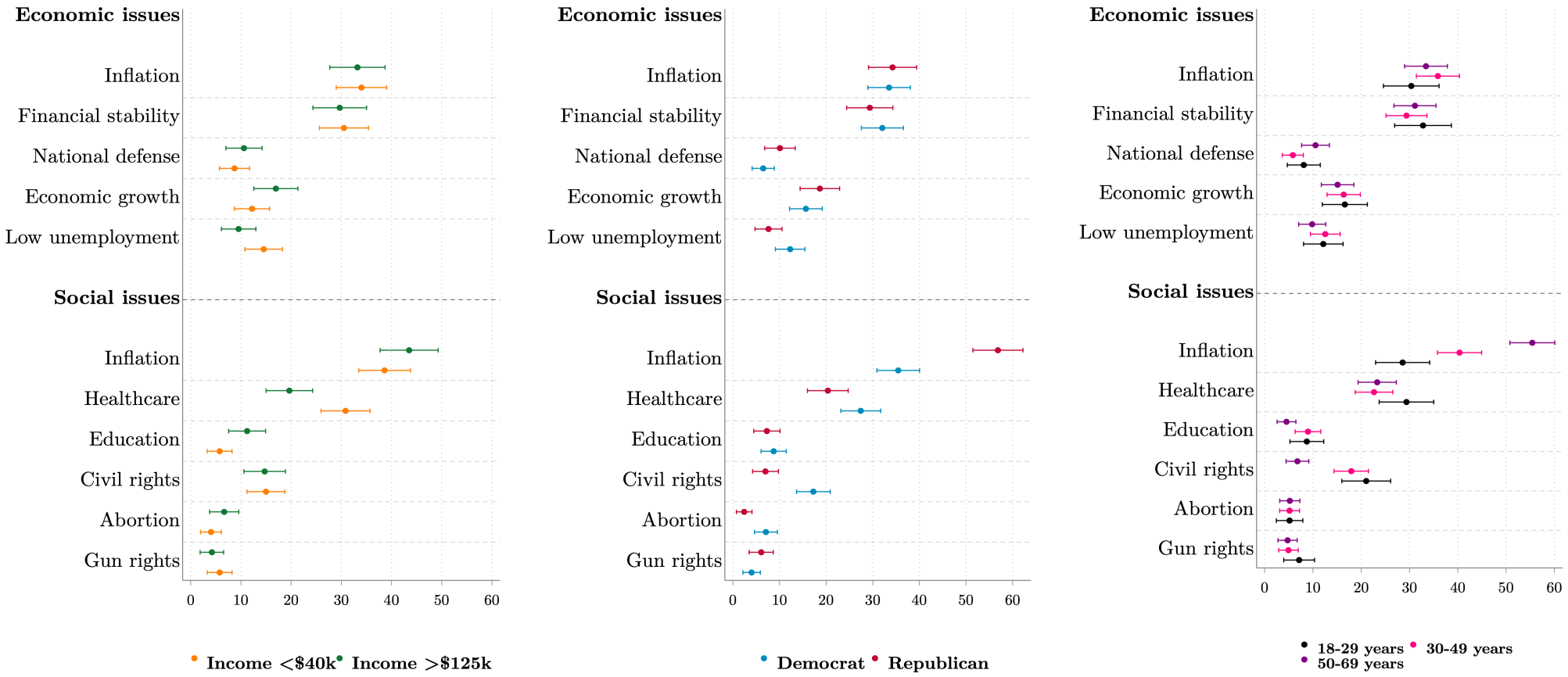
FIGURE 12: CONJOINT EXPERIMENT: IMPLIED WEIGHT ON INFLATION RELATIVE TO UNEMPLOYMENT



Notes: Each dot represents the ratio of the coefficient of the difference of inflation between two economies and the difference in unemployment between two economies, alongside 95% confidence intervals. Each regression was estimated separately for the subsamples described in the rows.

FIGURE 13: MOST IMPORTANT POLICY PRIORITY

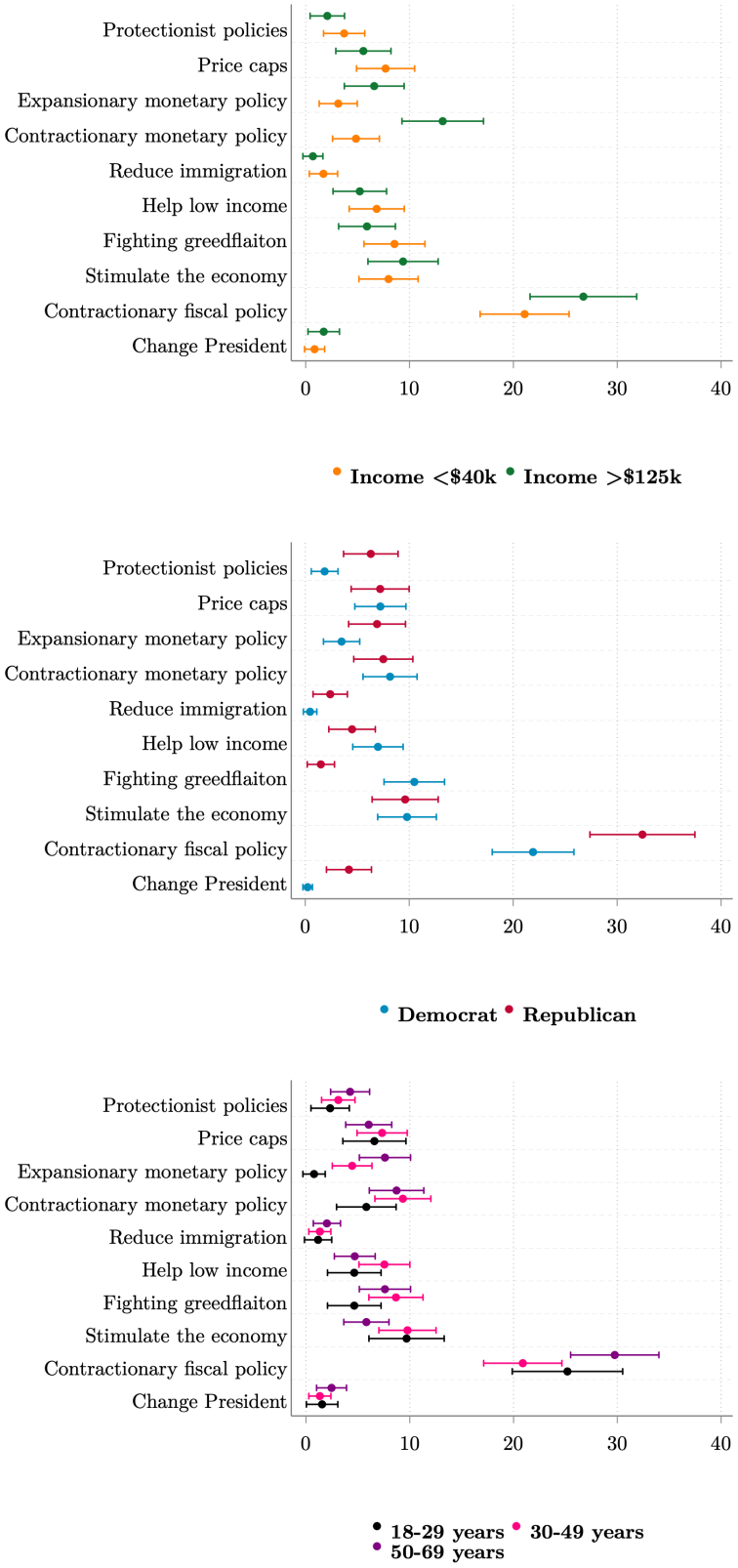
SHARE OF RESPONDENTS WHO RANK THE FOLLOWING AS THE MOST IMPORTANT POLICY PRIORITY



Notes: Each dot represents the share of respondents saying that the element on the row is the most important policy priority, alongside 95% confidence intervals. To avoid order effects, the order in which answer options were shown to the respondent was randomized. The sample includes only respondents who were not shown the video on the trade-offs between inflation and unemployment.

FIGURE 14: MOST IMPORTANT POLICY

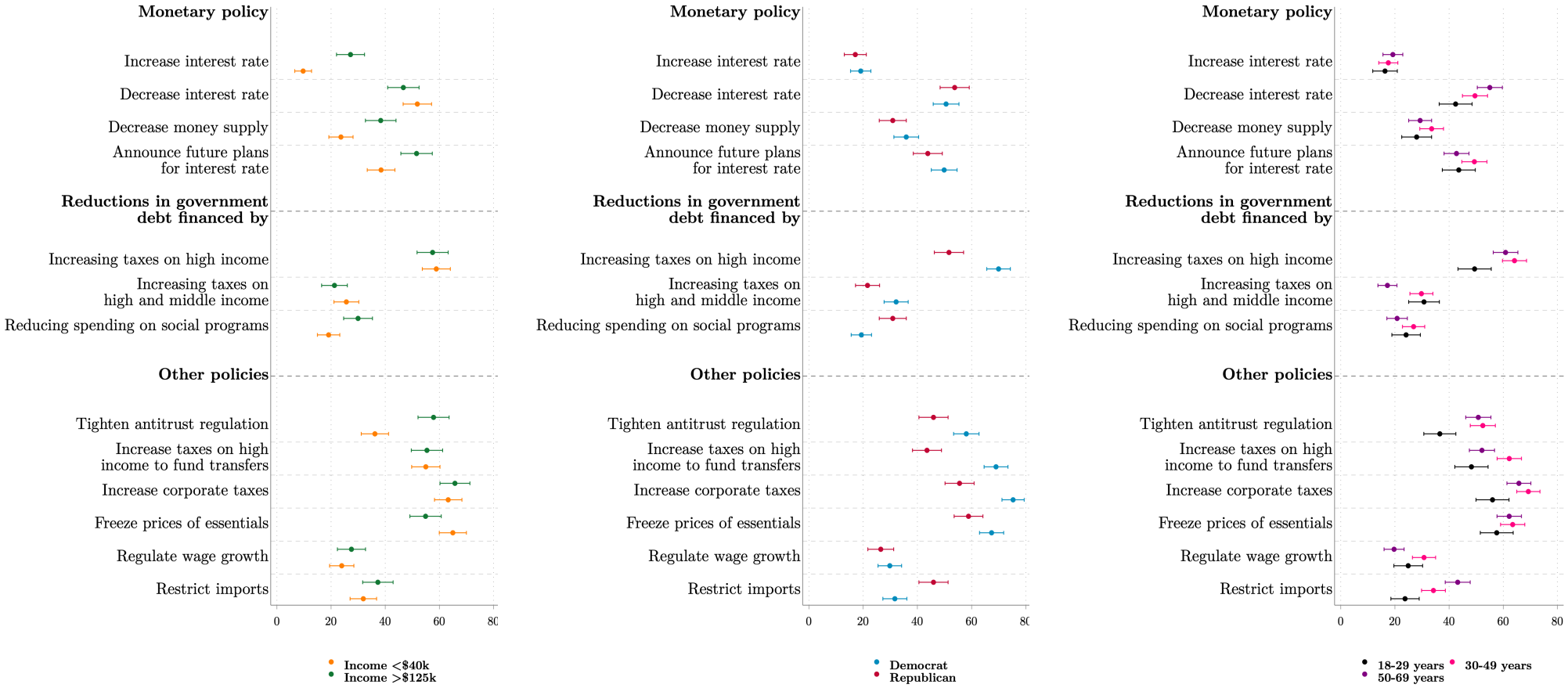
SHARE OF RESPONDENTS WHO SAY THE MOST IMPORTANT POLICY TO COMBAT INFLATION IS THE FOLLOWING



Notes: Each dot represents the share of respondents who mention in the open-ended question the policy listed in the row, alongside 95% confidence intervals. The sample includes only respondents who were not shown the video on the trade-offs between inflation and unemployment.

FIGURE 15: VIEWS ON POLICIES TO COMBAT INFLATION

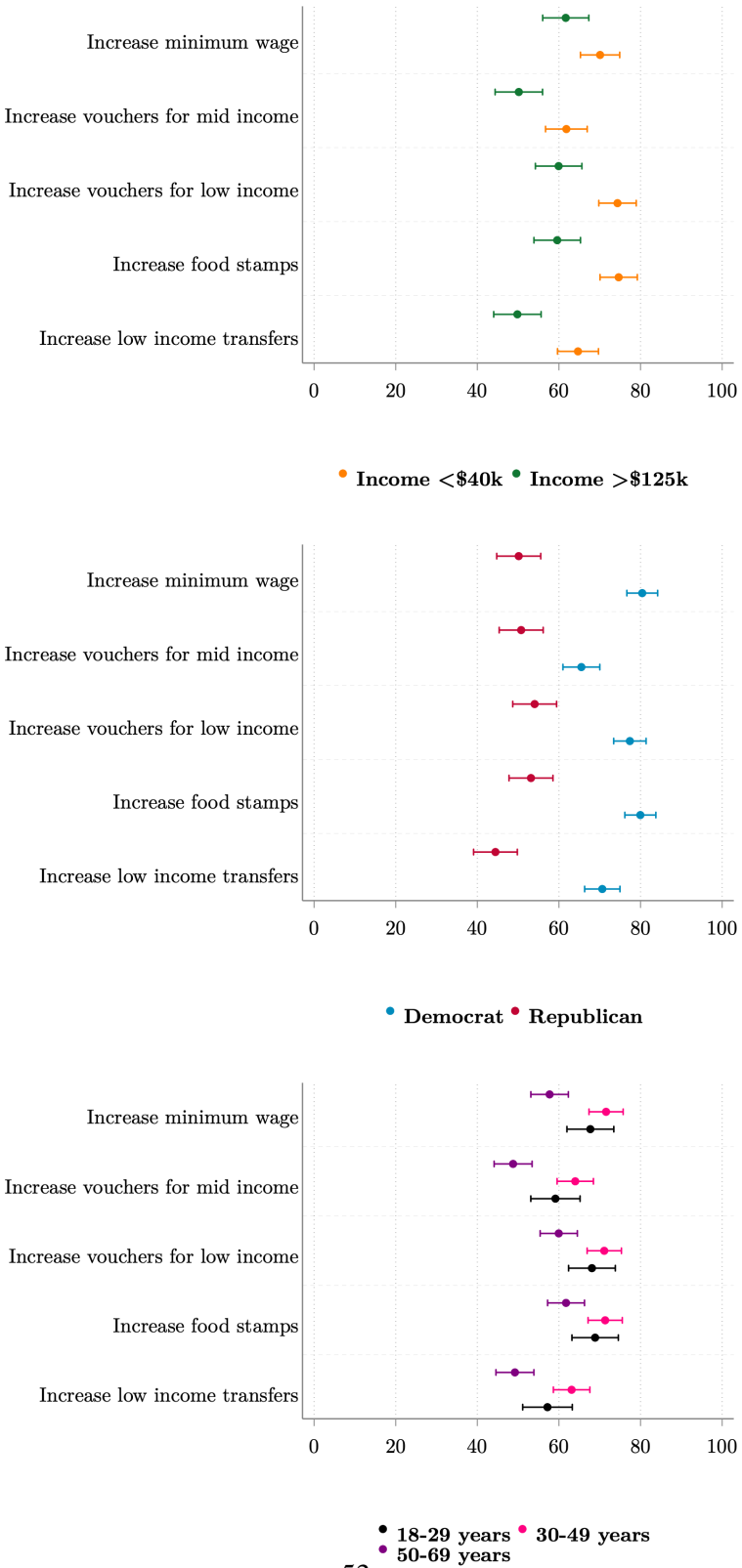
SHARE OF RESPONDENTS WHO SUPPORT THE FOLLOWING



Notes: Each dot represents the share of respondents who support or support a lot the policy listed in the row, alongside 95% confidence intervals. The sample includes only respondents who were not shown the video on the trade-offs between inflation and unemployment.

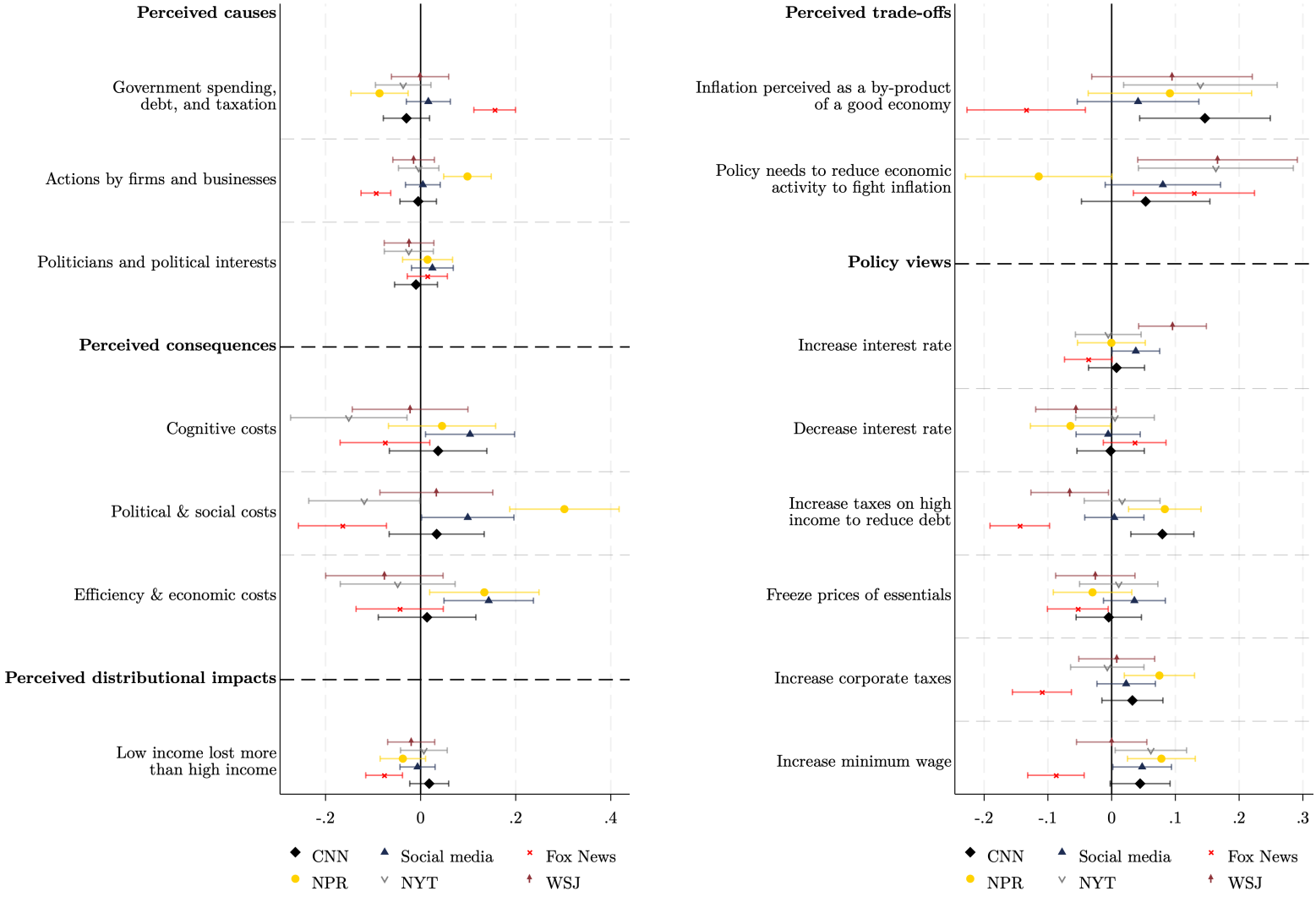
FIGURE 16: VIEWS ON POLICIES TO COMBAT THE REDISTRIBUTIVE IMPACT OF INFLATION

SHARE OF RESPONDENTS WHO SUPPORT THE FOLLOWING



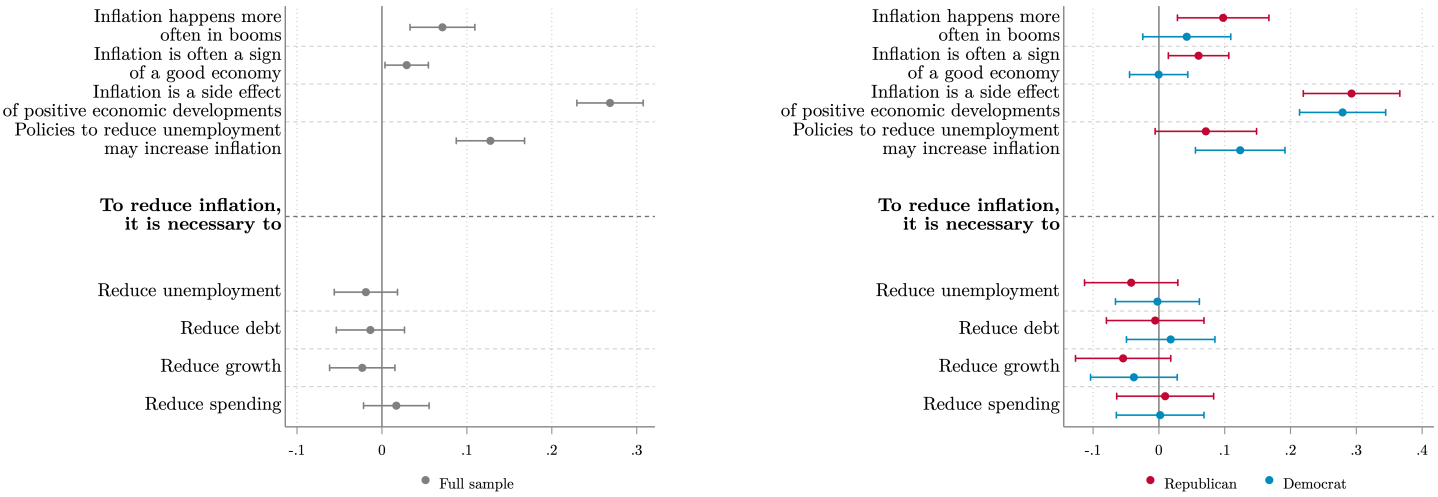
Notes: Each dot represents the share of respondents who support or support a lot the policy listed in the row, alongside 95% confidence intervals. The sample includes only respondents who were not shown the video on the trade-offs between inflation and unemployment.

FIGURE 17: NEWS, UNDERSTANDING, AND POLICY VIEWS



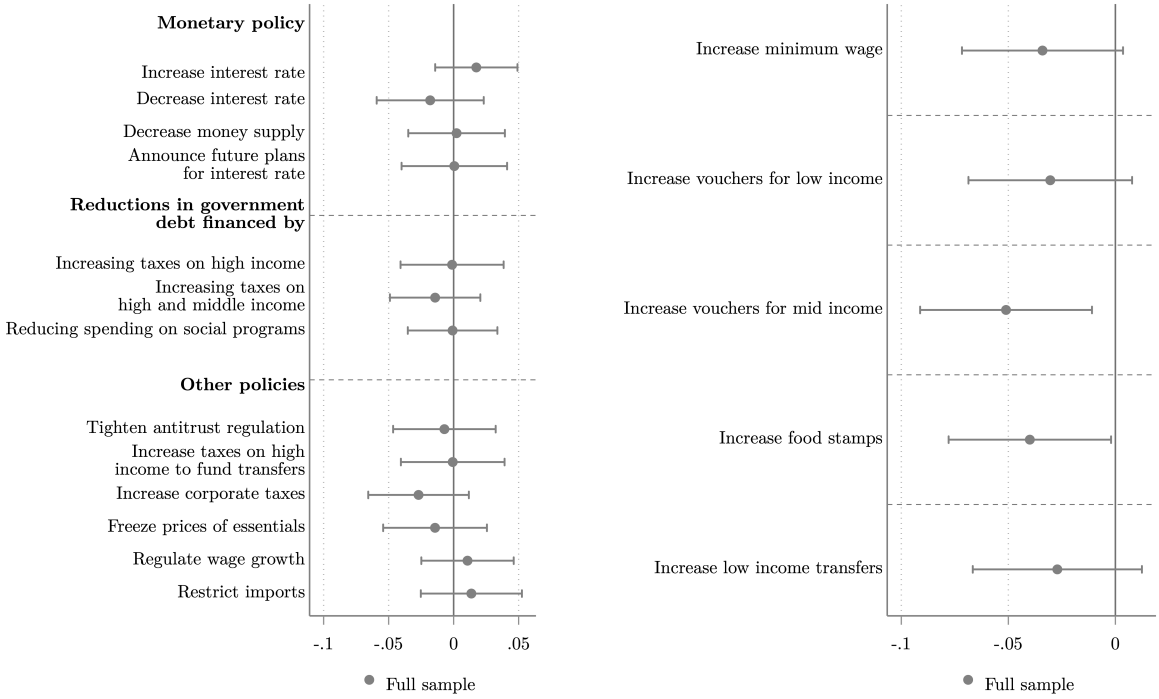
Notes: Each dot represents the coefficient of the corresponding news source for the outcome on the corresponding row, alongside 95% confidence intervals. Coefficients for the same outcome are estimated jointly in a regression including demographic controls, treatment indicators, order indicators, and controls for the news sources not listed in the figure. See Appendix A.3 for the questions.

FIGURE 18: FIRST STAGE OF TREATMENT: SHIFTING PERCEPTIONS OF TRADE-OFFS



Notes: Each dot represents the coefficient of the treatment in a regression where the outcome is described in each row, demographic controls are included, and errors are robust, alongside 95% confidence intervals.

FIGURE 19: SECOND STAGE OF TREATMENT: SHIFTING POLICY PREFERENCES



Notes: Each dot represents the coefficient of the treatment in a regression where the outcome is described in each row, demographic controls are included, and errors are robust, alongside 95% confidence intervals.

ONLINE APPENDIX
for
"Understanding Inflation"

by Alberto Binetti, Francesco Nuzzi, and Stefanie Stantcheva

A.1 Survey Time Distribution

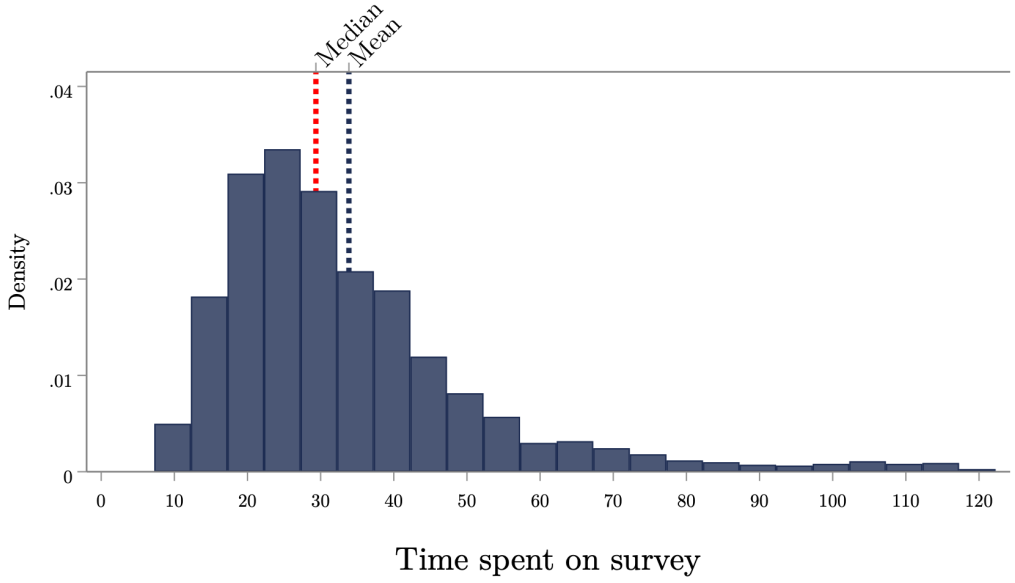
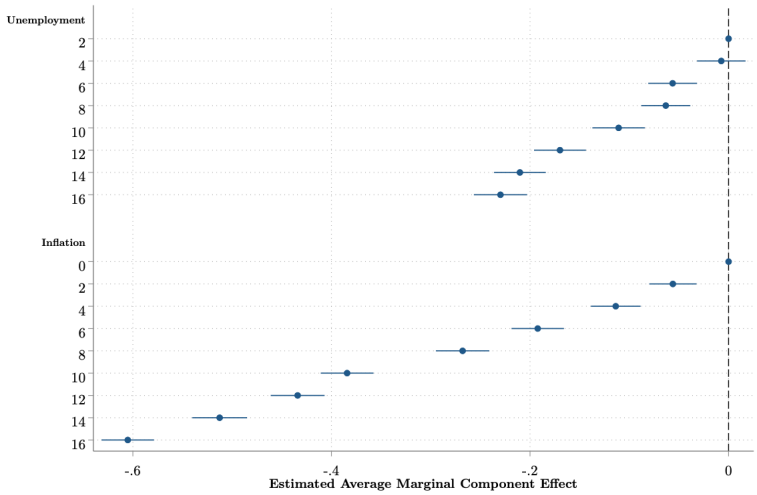
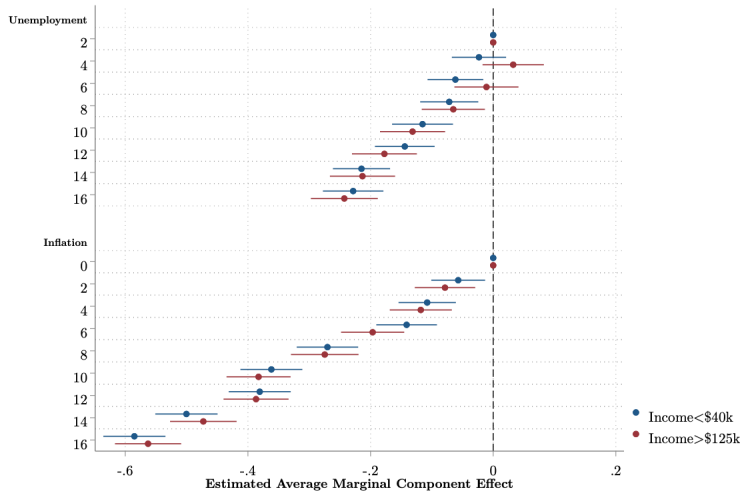


FIGURE A1: TIME DISTRIBUTION OF SURVEY ANSWERS

A.2 Additional Results

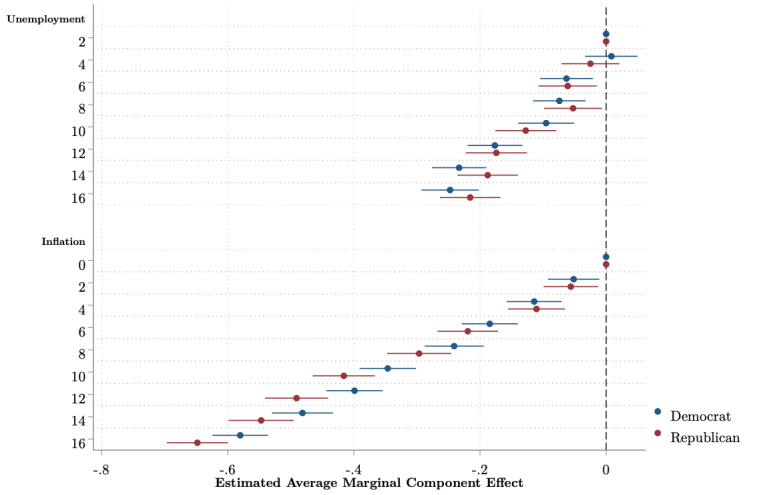


(A) FULL SAMPLE

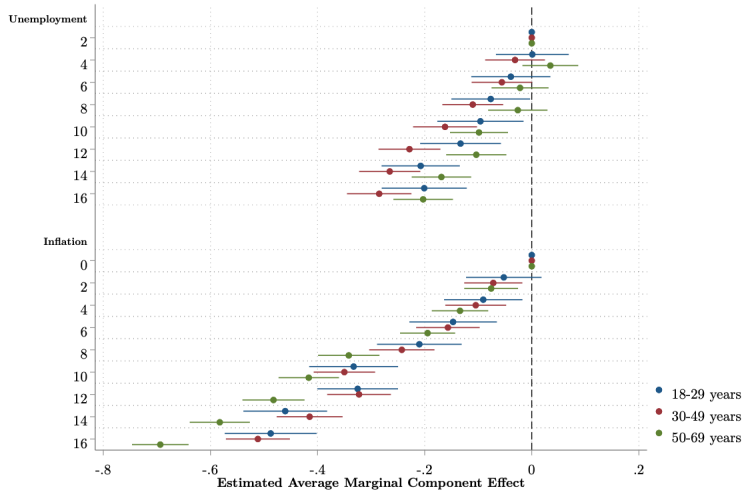


(B) BY INCOME

FIGURE A2: AMCE ESTIMATION



(A) BY POLITICAL LEANING



(B) BY AGE

FIGURE A3: AMCE ESTIMATION

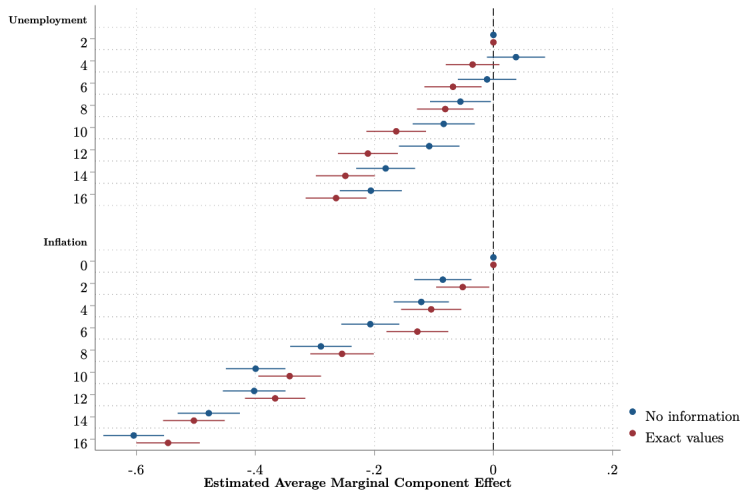


FIGURE A4: AMCE ESTIMATION BY INFORMATION EXPOSURE

TABLE A1: IMPACT OF DIFFERENT SHOCKS ON INFLATION AND UNEMPLOYMENT

	Interest rate increases increase		Government spending increases for low income transfers increase		Oil prices increases increase		Technological improvement decreasing costs increase		Wage increases increase	
	Inflation	Unemployment	Inflation	Unemployment	Inflation	Unemployment	Inflation	Unemployment	Inflation	Unemployment
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Female	0.072***	-0.059***	-0.053**	-0.003	-0.003	0.014	0.054***	-0.060***	-0.063***	-0.067***
	(0.022)	(0.022)	(0.022)	(0.021)	(0.018)	(0.022)	(0.018)	(0.022)	(0.022)	(0.021)
30-49 years old	-0.011	0.001	0.023	-0.015	0.018	-0.015	0.011	-0.059*	-0.004	0.025
	(0.030)	(0.031)	(0.031)	(0.029)	(0.027)	(0.031)	(0.026)	(0.030)	(0.031)	(0.029)
50-69 years old	-0.080**	0.032	0.112***	0.004	0.115***	0.021	-0.049*	0.012	0.104***	0.120***
	(0.035)	(0.036)	(0.035)	(0.034)	(0.029)	(0.036)	(0.029)	(0.035)	(0.035)	(0.034)
Independent	0.058**	0.047*	0.095***	0.016	0.017	0.023	0.047**	0.081***	0.053**	0.089***
	(0.025)	(0.026)	(0.026)	(0.024)	(0.021)	(0.026)	(0.021)	(0.026)	(0.026)	(0.024)
Republican	0.070**	0.090***	0.150***	0.094***	0.041*	0.021	0.014	0.064**	0.113***	0.115***
	(0.028)	(0.029)	(0.028)	(0.027)	(0.022)	(0.029)	(0.023)	(0.028)	(0.028)	(0.027)
College Degree	-0.082***	0.021	0.017	-0.032	-0.005	-0.059**	-0.071***	0.024	0.028	0.055**
	(0.026)	(0.026)	(0.025)	(0.024)	(0.019)	(0.026)	(0.020)	(0.026)	(0.026)	(0.025)
Studied economics	0.005	0.063**	0.043	0.009	0.005	0.045	-0.026	-0.071***	0.016	-0.010
	(0.027)	(0.028)	(0.027)	(0.026)	(0.021)	(0.028)	(0.022)	(0.027)	(0.027)	(0.026)
Income between 40k and 125k	-0.039	-0.073***	0.102***	0.020	0.061***	-0.010	-0.004	0.053**	0.066**	-0.007
	(0.026)	(0.027)	(0.027)	(0.025)	(0.021)	(0.027)	(0.022)	(0.027)	(0.027)	(0.025)
Income >125k	-0.029	-0.045	0.106***	-0.005	0.079***	0.031	0.003	0.047	0.093***	0.077**
	(0.034)	(0.035)	(0.034)	(0.033)	(0.026)	(0.034)	(0.028)	(0.035)	(0.034)	(0.033)
Has children	0.003	-0.003	0.012	0.004	0.008	0.012	-0.018	-0.031	0.020	-0.046*
	(0.025)	(0.025)	(0.025)	(0.024)	(0.020)	(0.026)	(0.021)	(0.026)	(0.025)	(0.024)
Unemployed	-0.008	-0.014	0.051	-0.084**	-0.002	-0.055	-0.001	-0.080**	0.003	-0.038
	(0.037)	(0.037)	(0.038)	(0.033)	(0.032)	(0.037)	(0.030)	(0.036)	(0.039)	(0.034)
Out of labor force	0.027	-0.018	0.050*	-0.004	0.054***	-0.011	-0.026	-0.004	-0.000	0.013
	(0.027)	(0.028)	(0.027)	(0.026)	(0.020)	(0.028)	(0.022)	(0.028)	(0.028)	(0.027)
CNN	0.016	0.004	-0.041	-0.011	0.007	-0.019	0.024	0.014	0.010	-0.015
	(0.026)	(0.027)	(0.026)	(0.025)	(0.021)	(0.027)	(0.021)	(0.026)	(0.027)	(0.025)
Fox News	0.024	0.044*	0.087***	0.104***	-0.043**	0.067***	0.062***	-0.028	0.005	0.061***
	(0.024)	(0.025)	(0.024)	(0.024)	(0.019)	(0.025)	(0.020)	(0.025)	(0.025)	(0.024)
Social media	0.021	0.037	0.029	0.009	0.016	0.047*	0.013	0.032	0.025	-0.001
	(0.025)	(0.025)	(0.025)	(0.024)	(0.019)	(0.025)	(0.019)	(0.025)	(0.025)	(0.024)
NPR	-0.089***	0.021	-0.001	-0.010	0.022	0.031	0.017	0.042	0.046	-0.015
	(0.031)	(0.032)	(0.032)	(0.029)	(0.024)	(0.032)	(0.025)	(0.032)	(0.031)	(0.031)
NYT	-0.007	-0.044	-0.040	-0.039	-0.030	0.010	0.026	0.005	-0.032	-0.016
	(0.031)	(0.032)	(0.031)	(0.030)	(0.026)	(0.032)	(0.025)	(0.031)	(0.031)	(0.029)
WSJ	-0.060*	0.070**	0.040	0.051	-0.020	0.029	0.053**	-0.010	0.027	0.070**
	(0.032)	(0.032)	(0.031)	(0.031)	(0.026)	(0.032)	(0.026)	(0.032)	(0.032)	(0.031)
Observations	2248	2248	2248	2248	2247	2248	2248	2247	2248	2248
Adj. R^2	0.061	0.017	0.053	0.022	0.051	0.010	0.040	0.029	0.030	0.044
$\mathbb{E}$(Dependent variable)	0.571	0.446	0.545	0.329	0.810	0.441	0.207	0.434	0.545	0.355
Mean income <40k	0.628	0.458	0.462	0.305	0.767	0.417	0.218	0.393	0.477	0.311
Mean income >125k	0.528	0.476	0.588	0.324	0.835	0.486	0.194	0.457	0.600	0.439
Mean democrat	0.528	0.403	0.455	0.283	0.792	0.425	0.196	0.385	0.489	0.290
Mean republican	0.599	0.490	0.649	0.411	0.847	0.466	0.196	0.455	0.619	0.415
Mean 18-29 years old	0.605	0.445	0.489	0.347	0.719	0.430	0.256	0.451	0.507	0.306
Mean 30-49 years old	0.576	0.444	0.523	0.324	0.772	0.439	0.235	0.405	0.515	0.330
Mean 50-69 years old	0.545	0.448	0.602	0.324	0.903	0.451	0.147	0.455	0.600	0.410
Dependent variable std. dev.	0.495	0.497	0.498	0.470	0.393	0.497	0.405	0.496	0.498	0.478

Notes: Errors are heteroskedasticity robust. Controls not reported in the regression are: order of inflation and unemployment in the conjoint section, whether the respondent has seen information before the conjoint, race, marital status, treatment assignment, order of sections, interaction of order of sections and treatment assignment, all other news sources not reported in the table. Omitted categories are: male (for gender), 18-29 years old (for age), Democrat (for political affiliation), no college (for education), income below 40k (for income), employed (for employment status). * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$.

TABLE A2: IMPACT OF DIFFERENT SHOCKS ON INFLATION AND UNEMPLOYMENT: COMPARISON WITH ANDRE ET AL. (2022)

	Decreases	Stays the same	Increases
Increase in oil prices			
Inflation			
Andre et al. (2022)	21%	9%	71%
Our estimate	7%	12%	81%
Unemployment			
Andre et al. (2022)	25%	14%	62%
Our estimate	13%	43%	44%
Increase in interest rate			
Inflation			
Andre et al. (2022)	30%	13%	55%
Our estimate	27%	16%	57%
Unemployment			
Andre et al. (2022)	33%	16%	51%
Our estimate	17%	39%	44%
Increase in government spending			
Inflation			
Andre et al. (2022)	29%	16%	55%
Our estimate	19%	26%	54%
Unemployment			
Andre et al. (2022)	43%	18%	39%
Our estimate	30%	37%	33%

TABLE A3: CAUSES: TOP CAUSES OF INFLATION

	Among 2 most important cause of inflation:						
	Government	Fed	Changes in labor market	Politics	Households	Firms	Increases in costs
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Female	0.042**	-0.081***	-0.009	0.023	0.011	-0.028*	0.043*
	(0.020)	(0.021)	(0.015)	(0.019)	(0.013)	(0.016)	(0.022)
30-49 years old	-0.032	0.027	-0.016	0.007	-0.006	0.027	-0.006
	(0.028)	(0.029)	(0.022)	(0.025)	(0.018)	(0.021)	(0.031)
50-69 years old	-0.074**	0.052	-0.058**	0.055*	-0.000	0.053**	-0.027
	(0.033)	(0.033)	(0.024)	(0.030)	(0.021)	(0.024)	(0.036)
Independent	0.055**	-0.001	-0.016	0.030	0.000	-0.061***	-0.008
	(0.025)	(0.024)	(0.018)	(0.022)	(0.016)	(0.020)	(0.026)
Republican	0.111***	0.069**	-0.025	-0.005	-0.013	-0.131***	-0.007
	(0.027)	(0.027)	(0.019)	(0.024)	(0.017)	(0.019)	(0.029)
College Degree	-0.029	0.051**	-0.032*	-0.021	-0.002	0.009	0.025
	(0.024)	(0.024)	(0.017)	(0.022)	(0.015)	(0.018)	(0.026)
Studied economics	0.011	0.021	0.006	-0.020	-0.028*	0.014	-0.005
	(0.026)	(0.027)	(0.019)	(0.022)	(0.016)	(0.020)	(0.028)
Income between 40k and 125k	-0.041	0.005	0.042**	0.018	-0.012	0.023	-0.035
	(0.025)	(0.024)	(0.018)	(0.024)	(0.017)	(0.019)	(0.027)
Income >125k	-0.059*	0.022	0.036	-0.015	-0.021	0.016	0.021
	(0.032)	(0.032)	(0.024)	(0.029)	(0.021)	(0.024)	(0.035)
Has children	0.034	-0.055**	0.013	0.016	-0.003	-0.010	0.005
	(0.024)	(0.024)	(0.017)	(0.022)	(0.016)	(0.018)	(0.025)
Unemployed	-0.031	-0.008	-0.010	0.025	-0.004	0.014	0.014
	(0.034)	(0.034)	(0.024)	(0.033)	(0.022)	(0.026)	(0.038)
Out of labor force	-0.047*	-0.044*	0.016	0.001	0.022	0.008	0.043
	(0.026)	(0.026)	(0.019)	(0.024)	(0.018)	(0.019)	(0.028)
CNN	-0.030	-0.003	0.028	-0.010	-0.016	-0.005	0.035
	(0.025)	(0.025)	(0.018)	(0.023)	(0.017)	(0.020)	(0.027)
Fox News	0.156***	0.003	-0.019	0.014	-0.013	-0.094***	-0.046*
	(0.022)	(0.023)	(0.017)	(0.022)	(0.015)	(0.016)	(0.025)
Social media	0.016	-0.007	0.007	0.025	-0.004	0.005	-0.042*
	(0.024)	(0.024)	(0.016)	(0.022)	(0.015)	(0.019)	(0.025)
NPR	-0.087***	-0.045	-0.016	0.015	0.038*	0.098***	-0.003
	(0.031)	(0.029)	(0.022)	(0.027)	(0.020)	(0.026)	(0.032)
NYT	-0.037	-0.027	0.052**	-0.025	0.025	-0.004	0.016
	(0.030)	(0.030)	(0.024)	(0.026)	(0.019)	(0.022)	(0.032)
WSJ	-0.001	0.056*	-0.005	-0.025	-0.008	-0.015	-0.002
	(0.031)	(0.030)	(0.024)	(0.027)	(0.019)	(0.022)	(0.032)
Observations	2238	2238	2238	2238	2238	2238	2238
Adj. R^2	0.062	0.020	0.006	0.007	-0.002	0.060	0.004
$\mathbb{E}$(Dependent variable)	0.664	0.307	0.127	0.223	0.097	0.152	0.429
Mean income <40k	0.705	0.267	0.100	0.241	0.112	0.145	0.430
Mean income >125k	0.611	0.351	0.137	0.179	0.085	0.161	0.476
Mean democrat	0.588	0.288	0.144	0.203	0.105	0.217	0.454
Mean republican	0.749	0.359	0.110	0.224	0.083	0.065	0.410
Mean 18-29 years old	0.737	0.257	0.157	0.207	0.104	0.120	0.418
Mean 30-49 years old	0.666	0.310	0.143	0.204	0.092	0.151	0.433
Mean 50-69 years old	0.618	0.333	0.092	0.253	0.099	0.172	0.432
Dependent variable std. dev.	0.472	0.461	0.333	0.417	0.297	0.359	0.495

Notes: Errors are heteroskedasticity robust. Controls not reported in the regression are: order of inflation and unemployment in the conjoint section, whether the respondent has seen information before the conjoint, race, marital status, treatment assignment, order of sections, interaction of order of sections and treatment assignment, all other news sources not reported in the table. Omitted categories are: male (for gender), 18-29 years old (for age), Democrat (for political affiliation), no college (for education), income below 40k (for income), employed (for employment status). * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$.

TABLE A4: TOP CAUSES OF INFLATION FOR GOVERNMENT AND FEDERAL RESERVE

	Government						Federal reserve			
	Income tax cuts	Increases in foreign assistance	Increases in government spending	Increases in assistance for tough times	Increases in social security	Decreases in interest rates	Increases in interest rates	Increases in money supply	Wrong actions	Unclear announcements
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
Female	-0.043***	0.099***	-0.013	-0.019	-0.024*	-0.007	0.092**	-0.147***	0.049	0.012
	(0.016)	(0.027)	(0.021)	(0.020)	(0.015)	(0.023)	(0.037)	(0.040)	(0.034)	(0.015)
30-49 years old	0.031	0.011	-0.002	-0.016	-0.023	-0.044	0.075	-0.105*	0.044	0.030
	(0.022)	(0.037)	(0.030)	(0.027)	(0.019)	(0.033)	(0.049)	(0.058)	(0.047)	(0.025)
50-69 years old	-0.020	0.014	-0.039	-0.003	0.048*	-0.058*	0.089	-0.086	0.043	0.012
	(0.023)	(0.044)	(0.035)	(0.030)	(0.025)	(0.034)	(0.056)	(0.065)	(0.050)	(0.028)
Independent	-0.025	0.010	-0.010	0.007	0.018	-0.024	-0.058	0.128***	-0.056	0.011
	(0.022)	(0.033)	(0.027)	(0.023)	(0.017)	(0.025)	(0.046)	(0.047)	(0.041)	(0.018)
Republican	-0.054**	0.040	-0.046*	0.024	0.036*	0.000	-0.025	0.126**	-0.110***	0.008
	(0.022)	(0.035)	(0.026)	(0.026)	(0.020)	(0.026)	(0.047)	(0.049)	(0.042)	(0.021)
College Degree	-0.040**	-0.030	0.001	0.012	0.056***	0.022	0.051	-0.033	-0.038	-0.002
	(0.018)	(0.033)	(0.024)	(0.023)	(0.020)	(0.025)	(0.042)	(0.044)	(0.037)	(0.015)
Studied economics	-0.010	-0.094***	0.053*	0.032	0.018	-0.022	0.027	0.019	-0.004	-0.021
	(0.020)	(0.035)	(0.028)	(0.026)	(0.020)	(0.023)	(0.046)	(0.049)	(0.040)	(0.016)
Income between 40k and 125k	0.026	-0.026	-0.035	0.018	0.016	0.010	-0.016	0.067	-0.047	-0.014
	(0.020)	(0.033)	(0.026)	(0.022)	(0.017)	(0.025)	(0.048)	(0.050)	(0.044)	(0.022)
Income >125k	0.046*	-0.014	-0.033	0.003	-0.002	0.029	0.010	0.101	-0.096*	-0.044*
	(0.025)	(0.043)	(0.034)	(0.030)	(0.023)	(0.032)	(0.059)	(0.063)	(0.052)	(0.023)
Has children	-0.030	0.052*	-0.035	0.006	0.007	-0.005	0.046	-0.022	-0.009	-0.010
	(0.019)	(0.031)	(0.024)	(0.023)	(0.016)	(0.023)	(0.043)	(0.043)	(0.038)	(0.016)
Unemployed	0.032	-0.109**	0.027	0.064*	-0.014	-0.007	0.055	-0.144**	0.069	0.028
	(0.029)	(0.046)	(0.039)	(0.035)	(0.021)	(0.034)	(0.069)	(0.065)	(0.062)	(0.033)
Out of labor force	0.012	0.022	-0.047*	0.011	0.002	-0.002	0.002	0.006	-0.030	0.025
	(0.020)	(0.035)	(0.026)	(0.024)	(0.020)	(0.028)	(0.049)	(0.050)	(0.042)	(0.024)
CNN	0.008	0.020	-0.020	-0.014	0.006	0.007	-0.000	-0.027	0.030	-0.010
	(0.019)	(0.033)	(0.026)	(0.023)	(0.018)	(0.029)	(0.043)	(0.048)	(0.042)	(0.017)
Fox News	-0.016	-0.021	0.007	0.009	0.021	-0.021	-0.025	-0.033	0.080**	-0.000
	(0.016)	(0.030)	(0.023)	(0.021)	(0.016)	(0.024)	(0.042)	(0.044)	(0.037)	(0.018)
Social media	-0.013	0.016	-0.003	-0.004	0.003	0.003	-0.022	0.072	-0.054	0.000
	(0.019)	(0.032)	(0.025)	(0.021)	(0.017)	(0.020)	(0.043)	(0.044)	(0.038)	(0.020)
NPR	0.011	-0.012	-0.028	0.010	0.019	0.019	-0.084	0.024	0.065	-0.024
	(0.027)	(0.043)	(0.034)	(0.030)	(0.024)	(0.035)	(0.053)	(0.058)	(0.054)	(0.023)
NYT	0.061**	-0.061	0.038	-0.036	-0.001	0.012	0.005	0.008	-0.002	-0.022
	(0.025)	(0.039)	(0.035)	(0.029)	(0.020)	(0.029)	(0.049)	(0.056)	(0.047)	(0.021)
WSJ	-0.051**	-0.021	0.012	0.056*	0.005	0.017	-0.102**	-0.004	0.079*	0.010
	(0.025)	(0.039)	(0.035)	(0.030)	(0.023)	(0.029)	(0.049)	(0.056)	(0.044)	(0.024)
Observations	1487	1487	1487	1487	1487	686	686	686	686	686
Adj. R^2	0.026	0.032	0.022	0.010	0.033	-0.011	0.030	0.042	0.017	0.005
$\mathbb{E}$(Dependent variable)	0.100	0.500	0.179	0.141	0.080	0.071	0.299	0.373	0.217	0.039
Mean income <40k	0.080	0.531	0.204	0.129	0.056	0.045	0.307	0.324	0.267	0.057
Mean income >125k	0.128	0.472	0.165	0.139	0.097	0.099	0.307	0.406	0.173	0.015
Mean democrat	0.135	0.475	0.209	0.131	0.051	0.086	0.349	0.280	0.259	0.026
Mean republican	0.068	0.537	0.132	0.155	0.108	0.071	0.283	0.420	0.177	0.049
Mean 18-29 years old	0.097	0.459	0.213	0.157	0.073	0.098	0.203	0.489	0.180	0.030
Mean 30-49 years old	0.131	0.487	0.193	0.136	0.053	0.070	0.300	0.359	0.222	0.048
Mean 50-69 years old	0.067	0.545	0.139	0.135	0.114	0.060	0.343	0.332	0.230	0.035
Dependent variable std. dev.	0.299	0.500	0.383	0.348	0.271	0.258	0.458	0.484	0.413	0.195

Notes: Errors are heteroskedasticity robust. Controls not reported in the regression are: order of inflation and unemployment in the conjoint section, whether the respondent has seen information before the conjoint, race, marital status, treatment assignment, order of sections, interaction of order of sections and treatment assignment, all other news sources not reported in the table. Omitted categories are: male (for gender), 18-29 years old (for age), Democrat (for political affiliation), no college (for education), income below 40k (for income), employed (for employment status). For each category of cause, regressions are estimated only for resoondents selecting that category as one of the top two most important causes of inflation. * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$.

TABLE A5: TOP CAUSES OF INFLATION FOR INCREASES IN COSTS, INCREASES IN HOUSEHOLD SPENDING, LABOR MARKET, AND FIRMS

	Increases in costs					Households		Labor market			Firms		
	Increases in oil prices	Increases in energy prices	Disruptions in other countries	Supply chain disruptions	The pandemic	Increases in inflation expectations	Optimism	wage increases due to unions	Labor shortages	Wage-price spirals	Increases in prices due to increases in inflation expectations	Increases in prices to increase profits	Decrease in competition
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
Female	0.040	-0.045*	-0.004	-0.045	0.054*	0.073	-0.073	-0.082	-0.028	0.111*	0.052	-0.044	-0.008
	(0.029)	(0.024)	(0.023)	(0.030)	(0.029)	(0.073)	(0.073)	(0.056)	(0.062)	(0.060)	(0.044)	(0.053)	(0.036)
30-49 years old	0.096**	0.076**	-0.086**	-0.056	-0.030	-0.219**	0.219**	0.066	-0.039	-0.027	0.027	0.066	-0.093*
	(0.040)	(0.031)	(0.037)	(0.042)	(0.042)	(0.104)	(0.104)	(0.076)	(0.087)	(0.084)	(0.069)	(0.083)	(0.056)
50-69 years old	0.121**	0.034	-0.138***	0.043	-0.059	-0.214*	0.214*	0.153	-0.168	0.015	0.051	0.052	-0.103*
	(0.049)	(0.033)	(0.042)	(0.050)	(0.046)	(0.115)	(0.115)	(0.097)	(0.110)	(0.107)	(0.074)	(0.089)	(0.060)
Independent	-0.011	0.029	0.021	0.000	-0.040	-0.030	0.030	0.017	-0.088	0.071	-0.027	-0.016	0.044
	(0.032)	(0.028)	(0.026)	(0.035)	(0.033)	(0.087)	(0.087)	(0.065)	(0.075)	(0.075)	(0.049)	(0.058)	(0.039)
Republican	0.070*	0.006	0.026	-0.047	-0.055	0.025	-0.025	0.083	-0.107	0.025	0.124	-0.126	0.003
	(0.037)	(0.030)	(0.029)	(0.039)	(0.036)	(0.096)	(0.096)	(0.082)	(0.082)	(0.085)	(0.082)	(0.089)	(0.051)
College Degree	0.009	0.058**	-0.011	-0.002	-0.054	-0.180**	0.180**	0.086	-0.128*	0.042	-0.043	0.011	0.032
	(0.031)	(0.028)	(0.027)	(0.035)	(0.035)	(0.091)	(0.091)	(0.076)	(0.069)	(0.075)	(0.054)	(0.062)	(0.039)
Studied economics	-0.014	-0.026	0.035	0.001	0.005	0.043	-0.043	-0.022	-0.012	0.034	-0.009	-0.078	0.087
	(0.036)	(0.029)	(0.029)	(0.037)	(0.035)	(0.090)	(0.090)	(0.073)	(0.080)	(0.080)	(0.050)	(0.064)	(0.053)
Income between 40k and 125k	-0.017	0.008	-0.014	0.020	0.004	0.096	-0.096	0.051	-0.013	-0.039	0.040	-0.037	-0.003
	(0.036)	(0.027)	(0.030)	(0.039)	(0.038)	(0.082)	(0.082)	(0.067)	(0.083)	(0.081)	(0.050)	(0.060)	(0.034)
Income >125k	-0.012	-0.055*	-0.030	0.109**	-0.013	0.159	-0.159	0.033	0.093	-0.126	0.071	-0.118	0.047
	(0.044)	(0.032)	(0.038)	(0.048)	(0.046)	(0.110)	(0.110)	(0.086)	(0.101)	(0.103)	(0.069)	(0.081)	(0.047)
Has children	-0.061*	-0.032	0.023	0.037	0.033	-0.024	0.024	-0.006	-0.012	0.018	0.041	-0.028	-0.014
	(0.036)	(0.028)	(0.026)	(0.036)	(0.031)	(0.078)	(0.078)	(0.066)	(0.079)	(0.073)	(0.046)	(0.059)	(0.040)
Unemployed	-0.045	-0.024	0.041	0.058	-0.029	0.076	-0.076	0.042	-0.099	0.057	0.058	-0.058	0.001
	(0.046)	(0.037)	(0.046)	(0.053)	(0.050)	(0.111)	(0.111)	(0.116)	(0.118)	(0.116)	(0.070)	(0.082)	(0.050)
Out of labor force	0.018	-0.014	0.029	0.014	-0.047	-0.055	0.055	-0.039	-0.057	0.096	0.058	-0.077	0.019
	(0.035)	(0.029)	(0.029)	(0.039)	(0.036)	(0.084)	(0.084)	(0.077)	(0.084)	(0.086)	(0.054)	(0.067)	(0.046)
CNN	0.047	0.011	-0.002	-0.015	-0.041	0.054	-0.054	0.063	-0.105	0.042	-0.103**	0.139**	-0.036
	(0.037)	(0.030)	(0.028)	(0.038)	(0.038)	(0.083)	(0.083)	(0.070)	(0.085)	(0.078)	(0.047)	(0.054)	(0.034)
Fox News	0.102***	0.001	-0.041	-0.057*	-0.005	0.008	-0.008	0.095	0.125	-0.220***	0.199***	-0.130*	-0.069*
	(0.035)	(0.027)	(0.026)	(0.034)	(0.034)	(0.083)	(0.083)	(0.072)	(0.077)	(0.073)	(0.063)	(0.072)	(0.039)
Social media	0.037	-0.039	0.009	-0.037	0.030	-0.093	0.093	-0.059	0.035	0.024	-0.046	-0.005	0.051
	(0.033)	(0.026)	(0.027)	(0.037)	(0.033)	(0.081)	(0.081)	(0.076)	(0.086)	(0.079)	(0.042)	(0.052)	(0.035)
NPR	-0.038	-0.030	-0.022	0.043	0.047	0.141	-0.141	-0.002	0.003	-0.001	-0.010	0.036	-0.026
	(0.038)	(0.034)	(0.033)	(0.042)	(0.041)	(0.101)	(0.101)	(0.087)	(0.087)	(0.091)	(0.044)	(0.057)	(0.043)
NYT	0.004	0.006	0.022	-0.043	0.010	-0.019	0.019	-0.051	0.025	0.027	0.065	-0.134	0.069
	(0.041)	(0.033)	(0.032)	(0.044)	(0.043)	(0.105)	(0.105)	(0.071)	(0.086)	(0.078)	(0.070)	(0.090)	(0.068)
WSJ	0.002	0.089**	-0.081**	0.007	-0.017	-0.033	0.033	-0.014	-0.038	0.052	0.038	0.004	-0.042
	(0.043)	(0.036)	(0.033)	(0.046)	(0.042)	(0.116)	(0.116)	(0.083)	(0.088)	(0.083)	(0.071)	(0.084)	(0.055)
Observations	961	961	961	961	961	218	218	283	283	283	340	340	340
Adj. R^2	0.016	0.014	0.018	0.034	0.017	-0.061	-0.061	-0.019	0.027	0.022	0.048	0.025	0.006
$\mathbb{E}$(Dependent variable)	0.225	0.142	0.131	0.275	0.228	0.720	0.280	0.251	0.389	0.360	0.171	0.747	0.082
Mean income <40k	0.215	0.109	0.162	0.257	0.257	0.676	0.324	0.197	0.439	0.364	0.146	0.802	0.052
Mean income >125k	0.234	0.142	0.102	0.325	0.197	0.755	0.245	0.269	0.410	0.321	0.204	0.656	0.140
Mean democrat	0.216	0.137	0.115	0.287	0.246	0.741	0.259	0.235	0.417	0.348	0.149	0.783	0.069
Mean republican	0.279	0.132	0.132	0.256	0.202	0.769	0.231	0.319	0.377	0.304	0.366	0.585	0.049
Mean 18-29 years old	0.185	0.083	0.222	0.241	0.269	0.833	0.167	0.136	0.481	0.383	0.210	0.661	0.129
Mean 30-49 years old	0.238	0.183	0.124	0.225	0.230	0.688	0.312	0.266	0.411	0.323	0.174	0.750	0.076
Mean 50-69 years old	0.234	0.134	0.084	0.346	0.202	0.679	0.321	0.346	0.256	0.397	0.151	0.781	0.068
Dependent variable std. dev.	0.418	0.349	0.338	0.447	0.420	0.450	0.450	0.434	0.488	0.481	0.377	0.435	0.275

Notes: Errors are heteroskedasticity robust. Controls not reported in the regression are: order of inflation and unemployment in the conjoint section, whether the respondent has seen information before the conjoint, race, marital status, treatment assignment, order of sections, interaction of order of sections and treatment assignment, all other news sources not reported in the table. Omitted categories are: male (for gender), 18-29 years old (for age), Democrat (for political affiliation), no college (for education), income below 40k (for income), employed (for employment status). For each category of cause, regressions are estimated only for resoondents selecting that category as one of the top two most important causes of inflation. * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$.

TABLE A6: DISTRIBUTIONAL IMPACTS: INCOME AND AGE

	Lose from inflation					
	Low income	Medium income	High income	18-30 yrs old	30-65 yrs old	65+ yrs old
	(1)	(2)	(3)	(4)	(5)	(6)
Female	-0.031**	-0.031	-0.032*	-0.023	0.014	0.020
	(0.016)	(0.019)	(0.019)	(0.020)	(0.019)	(0.019)
30-49 years old	0.058**	0.001	-0.023	-0.088***	0.098***	0.183***
	(0.025)	(0.028)	(0.027)	(0.029)	(0.029)	(0.030)
50-69 years old	0.131***	0.151***	-0.001	0.001	0.200***	0.343***
	(0.026)	(0.030)	(0.031)	(0.033)	(0.032)	(0.032)
Independent	0.025	0.010	0.013	0.038	0.006	-0.013
	(0.018)	(0.022)	(0.022)	(0.024)	(0.023)	(0.023)
Republican	0.013	0.027	0.075***	0.037	0.029	0.028
	(0.021)	(0.025)	(0.025)	(0.026)	(0.025)	(0.024)
College Degree	0.069***	0.025	-0.019	0.067***	0.030	0.026
	(0.018)	(0.021)	(0.022)	(0.023)	(0.022)	(0.022)
Studied economics	-0.039*	-0.003	0.034	-0.000	-0.024	0.010
	(0.020)	(0.023)	(0.025)	(0.025)	(0.025)	(0.024)
Income between 40k and 125k	0.036*	0.113***	0.020	0.107***	0.091***	0.050**
	(0.020)	(0.023)	(0.022)	(0.025)	(0.024)	(0.024)
Income >125k	0.027	0.119***	0.051*	0.109***	0.095***	0.040
	(0.024)	(0.029)	(0.030)	(0.031)	(0.030)	(0.030)
Has children	-0.028	-0.023	0.007	0.002	-0.012	0.000
	(0.017)	(0.021)	(0.022)	(0.023)	(0.022)	(0.022)
Unemployed	0.026	0.058*	-0.032	0.030	0.056*	0.003
	(0.027)	(0.032)	(0.030)	(0.034)	(0.032)	(0.033)
Out of labor force	0.064***	0.033	0.027	0.047*	0.085***	0.040*
	(0.019)	(0.023)	(0.025)	(0.025)	(0.023)	(0.023)
CNN	0.000	-0.006	-0.055**	-0.022	-0.019	0.007
	(0.019)	(0.023)	(0.023)	(0.025)	(0.024)	(0.024)
Fox News	-0.057***	-0.048**	0.047**	-0.077***	-0.024	-0.050**
	(0.018)	(0.021)	(0.022)	(0.023)	(0.022)	(0.022)
Social media	0.003	0.032	0.035	0.040*	0.020	-0.007
	(0.017)	(0.020)	(0.022)	(0.023)	(0.022)	(0.021)
NPR	-0.006	0.034	0.025	0.005	-0.016	0.020
	(0.022)	(0.027)	(0.027)	(0.029)	(0.029)	(0.028)
NYT	-0.007	-0.019	0.050*	0.015	-0.025	-0.043
	(0.024)	(0.027)	(0.028)	(0.028)	(0.029)	(0.029)
WSJ	-0.024	-0.076***	-0.015	-0.047	-0.067**	-0.069**
	(0.024)	(0.028)	(0.028)	(0.029)	(0.029)	(0.029)
Observations	2245	2247	2247	2247	2246	2246
Adj. R^2	0.056	0.069	0.016	0.031	0.068	0.132
$\mathbb{E}$(Dependent variable)	0.842	0.741	0.242	0.692	0.719	0.694
Mean income <40k	0.833	0.684	0.212	0.634	0.679	0.659
Mean income >125k	0.839	0.761	0.277	0.718	0.728	0.702
Mean democrat	0.833	0.724	0.208	0.668	0.699	0.691
Mean republican	0.840	0.774	0.305	0.701	0.761	0.742
Mean 18-29 years old	0.763	0.661	0.254	0.715	0.588	0.455
Mean 30-49 years old	0.814	0.679	0.226	0.636	0.688	0.664
Mean 50-69 years old	0.920	0.855	0.250	0.736	0.832	0.870
Dependent variable std. dev.	0.365	0.438	0.428	0.462	0.450	0.461

Notes: Errors are heteroskedasticity robust. Controls not reported in the regression are: order of inflation and unemployment in the conjoint section, whether the respondent has seen information before the conjoint, race, marital status, treatment assignment, order of sections, interaction of order of sections and treatment assignment, all other news sources not reported in the table. Omitted categories are: male (for gender), 18-29 years old (for age), Democrat (for political affiliation), no college (for education), income below 40k (for income), employed (for employment status). * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$.

TABLE A7: DISTRIBUTIONAL IMPACTS: LABOR MARKET AND SAVINGS

	Lose from inflation					
	Employed	Unemployed	Retirees	Savings in cash	Savings in financial assets	No savings
	(1)	(2)	(3)	(4)	(5)	(6)
Female	-0.019	-0.016	0.005	-0.040*	0.060***	0.056***
	(0.019)	(0.020)	(0.019)	(0.022)	(0.022)	(0.020)
30-49 years old	0.006	0.023	0.141***	0.003	0.021	0.043
	(0.028)	(0.028)	(0.029)	(0.031)	(0.031)	(0.030)
50-69 years old	0.157***	0.034	0.302***	0.153***	0.115***	0.124***
	(0.031)	(0.032)	(0.031)	(0.035)	(0.036)	(0.033)
Independent	0.019	-0.010	0.004	0.015	0.028	-0.003
	(0.023)	(0.022)	(0.022)	(0.025)	(0.026)	(0.023)
Republican	0.032	-0.092***	0.021	0.071**	0.051*	-0.037
	(0.025)	(0.026)	(0.024)	(0.028)	(0.029)	(0.026)
College Degree	-0.010	0.060***	0.033	0.034	-0.028	0.017
	(0.022)	(0.023)	(0.022)	(0.025)	(0.026)	(0.023)
Studied economics	-0.027	0.005	-0.012	0.009	-0.023	0.013
	(0.024)	(0.024)	(0.024)	(0.027)	(0.028)	(0.026)
Income between 40k and 125k	0.116***	0.005	0.079***	0.041	0.043	0.023
	(0.024)	(0.024)	(0.023)	(0.027)	(0.027)	(0.024)
Income >125k	0.097***	0.034	0.065**	0.025	0.054	-0.015
	(0.030)	(0.030)	(0.029)	(0.034)	(0.034)	(0.031)
Has children	-0.042*	0.026	-0.030	-0.029	-0.027	0.027
	(0.022)	(0.023)	(0.021)	(0.025)	(0.026)	(0.023)
Unemployed	-0.002	0.040	0.016	0.010	-0.053	0.033
	(0.033)	(0.033)	(0.032)	(0.038)	(0.037)	(0.034)
Out of labor force	0.004	0.050*	0.039*	0.009	-0.036	0.046*
	(0.024)	(0.025)	(0.022)	(0.027)	(0.029)	(0.025)
CNN	-0.003	0.069***	0.009	-0.008	0.005	0.030
	(0.024)	(0.024)	(0.023)	(0.026)	(0.027)	(0.024)
Fox News	-0.036	-0.055**	-0.056***	-0.068***	0.003	-0.065***
	(0.022)	(0.022)	(0.021)	(0.024)	(0.025)	(0.023)
Social media	0.054**	0.011	0.038*	0.034	0.014	0.030
	(0.022)	(0.022)	(0.020)	(0.025)	(0.026)	(0.023)
NPR	0.066**	0.016	0.027	0.054*	-0.021	0.019
	(0.027)	(0.027)	(0.026)	(0.030)	(0.032)	(0.029)
NYT	-0.017	-0.030	-0.039	0.027	-0.019	-0.051*
	(0.029)	(0.029)	(0.028)	(0.031)	(0.031)	(0.030)
WSJ	-0.029	0.025	-0.053*	0.007	-0.074**	-0.017
	(0.029)	(0.028)	(0.029)	(0.032)	(0.032)	(0.030)
Observations	2247	2247	2246	2247	2246	2245
Adj. R^2	0.056	0.025	0.108	0.025	0.024	0.036
$\mathbb{E}$(Dependent variable)	0.731	0.729	0.737	0.607	0.481	0.699
Mean income <40k	0.678	0.723	0.696	0.573	0.460	0.705
Mean income >125k	0.727	0.760	0.739	0.619	0.474	0.671
Mean democrat	0.703	0.769	0.730	0.585	0.455	0.708
Mean republican	0.761	0.652	0.769	0.651	0.530	0.682
Mean 18-29 years old	0.680	0.696	0.550	0.551	0.411	0.612
Mean 30-49 years old	0.671	0.733	0.699	0.552	0.443	0.672
Mean 50-69 years old	0.823	0.746	0.890	0.698	0.564	0.781
Dependent variable std. dev.	0.444	0.445	0.440	0.489	0.500	0.459

Notes: Errors are heteroskedasticity robust. Controls not reported in the regression are: order of inflation and unemployment in the conjoint section, whether the respondent has seen information before the conjoint, race, marital status, treatment assignment, order of sections, interaction of order of sections and treatment assignment, all other news sources not reported in the table. Omitted categories are: male (for gender), 18-29 years old (for age), Democrat (for political affiliation), no college (for education), income below 40k (for income), employed (for employment status). * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$.

TABLE A8: DISTRIBUTIONAL IMPACTS: DEBT AND FIRMS

	Lose from inflation					
	Credit card debt	Fixed rate mortgage	Flexible rate mortgage	Low debt	Big firms	Small firms
	(1)	(2)	(3)	(4)	(5)	(6)
Female	0.064***	0.041*	-0.019	-0.009	0.013	0.001
	(0.020)	(0.022)	(0.019)	(0.022)	(0.018)	(0.019)
30-49 years old	0.039	0.076**	0.108***	0.038	0.030	0.014
	(0.029)	(0.031)	(0.030)	(0.030)	(0.025)	(0.028)
50-69 years old	0.149***	0.028	0.254***	0.085**	0.085***	0.114***
	(0.032)	(0.036)	(0.031)	(0.035)	(0.030)	(0.030)
Independent	0.020	0.023	0.049**	0.016	0.022	-0.019
	(0.023)	(0.025)	(0.023)	(0.025)	(0.020)	(0.023)
Republican	0.014	0.059**	0.061**	0.031	0.086***	0.027
	(0.025)	(0.028)	(0.025)	(0.028)	(0.024)	(0.025)
College Degree	0.023	-0.053**	0.040*	-0.039	-0.006	0.049**
	(0.022)	(0.025)	(0.022)	(0.025)	(0.021)	(0.021)
Studied economics	-0.036	-0.017	-0.018	-0.026	0.051**	-0.027
	(0.025)	(0.027)	(0.024)	(0.027)	(0.024)	(0.024)
Income between 40k and 125k	0.040*	-0.038	0.100***	-0.010	-0.004	0.086***
	(0.024)	(0.027)	(0.024)	(0.027)	(0.021)	(0.024)
Income >125k	0.048	-0.034	0.074**	0.012	0.017	0.075**
	(0.031)	(0.034)	(0.030)	(0.034)	(0.028)	(0.030)
Has children	-0.036	-0.019	-0.028	-0.040	0.012	-0.029
	(0.022)	(0.026)	(0.021)	(0.025)	(0.021)	(0.022)
Unemployed	0.024	0.002	0.001	-0.014	-0.032	0.027
	(0.034)	(0.037)	(0.035)	(0.037)	(0.029)	(0.033)
Out of labor force	0.075***	-0.024	0.050**	0.010	-0.015	0.044*
	(0.024)	(0.028)	(0.023)	(0.028)	(0.024)	(0.023)
CNN	0.019	0.062**	-0.019	-0.010	-0.024	-0.009
	(0.024)	(0.027)	(0.024)	(0.026)	(0.021)	(0.023)
Fox News	-0.019	0.030	-0.047**	-0.019	0.054**	-0.046**
	(0.022)	(0.025)	(0.021)	(0.024)	(0.021)	(0.022)
Social media	0.021	0.025	0.034	0.054**	0.023	0.062***
	(0.022)	(0.025)	(0.021)	(0.025)	(0.021)	(0.022)
NPR	0.018	0.028	-0.009	0.014	-0.004	0.031
	(0.028)	(0.032)	(0.027)	(0.032)	(0.027)	(0.027)
NYT	-0.032	-0.025	-0.030	0.025	-0.013	-0.024
	(0.028)	(0.031)	(0.028)	(0.031)	(0.026)	(0.028)
WSJ	-0.060**	0.027	-0.015	-0.029	0.026	-0.075***
	(0.029)	(0.032)	(0.028)	(0.031)	(0.028)	(0.028)
Observations	2247	2246	2247	2246	2246	2246
Adj. R^2	0.045	0.013	0.087	0.001	0.023	0.041
$\mathbb{E}$(Dependent variable)	0.720	0.412	0.723	0.386	0.221	0.747
Mean income <40k	0.707	0.443	0.660	0.398	0.194	0.697
Mean income >125k	0.718	0.385	0.735	0.388	0.253	0.760
Mean democrat	0.717	0.399	0.686	0.374	0.187	0.741
Mean republican	0.733	0.436	0.773	0.400	0.293	0.787
Mean 18-29 years old	0.632	0.391	0.561	0.355	0.174	0.678
Mean 30-49 years old	0.673	0.444	0.684	0.372	0.214	0.710
Mean 50-69 years old	0.822	0.392	0.862	0.418	0.258	0.828
Dependent variable std. dev.	0.449	0.492	0.448	0.487	0.415	0.435

Notes: Errors are heteroskedasticity robust. Controls not reported in the regression are: order of inflation and unemployment in the conjoint section, whether the respondent has seen information before the conjoint, race, marital status, treatment assignment, order of sections, interaction of order of sections and treatment assignment, all other news sources not reported in the table. Omitted categories are: male (for gender), 18-29 years old (for age), Democrat (for political affiliation), no college (for education), income below 40k (for income), employed (for employment status). * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$.

TABLE A9: IMPORTANT CONSEQUENCES OF INFLATION I

	Important consequence of inflation:						
	Makes budgeting harder	Makes households more uncertain	Shoe-leather cost	Makes firms decisions harder	Causes resource misallocation	Slows down GDP growth	Menu costs
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Female	-0.008	-0.014	0.020	0.012	-0.025	-0.014	-0.007
	(0.016)	(0.020)	(0.017)	(0.022)	(0.021)	(0.020)	(0.022)
30-49 years old	0.025	0.042	0.046*	0.009	0.052*	0.062**	0.039
	(0.024)	(0.030)	(0.026)	(0.031)	(0.030)	(0.030)	(0.031)
50-69 years old	0.091***	0.121***	0.123***	0.112***	0.149***	0.166***	0.070**
	(0.026)	(0.033)	(0.028)	(0.035)	(0.034)	(0.033)	(0.035)
Independent	0.037**	0.016	-0.011	0.036	0.050**	0.033	0.003
	(0.019)	(0.024)	(0.020)	(0.026)	(0.025)	(0.024)	(0.026)
Republican	0.035*	0.035	0.001	0.131***	0.063**	0.076***	0.104***
	(0.020)	(0.026)	(0.022)	(0.028)	(0.027)	(0.026)	(0.028)
College Degree	0.036**	0.090***	0.060***	0.062**	0.017	0.057**	0.047*
	(0.017)	(0.023)	(0.019)	(0.025)	(0.024)	(0.023)	(0.026)
Studied economics	0.003	0.015	-0.045**	-0.014	0.034	-0.018	0.009
	(0.019)	(0.025)	(0.022)	(0.027)	(0.026)	(0.025)	(0.027)
Income between 40k and 125k	0.051**	0.059**	0.034	0.035	0.023	0.024	0.048*
	(0.020)	(0.025)	(0.022)	(0.027)	(0.026)	(0.025)	(0.027)
Income >125k	0.068***	0.093***	0.022	0.104***	0.025	0.018	0.067*
	(0.025)	(0.031)	(0.027)	(0.034)	(0.033)	(0.032)	(0.034)
Has children	0.003	0.006	0.001	-0.011	0.015	0.045*	-0.010
	(0.018)	(0.024)	(0.020)	(0.025)	(0.025)	(0.023)	(0.025)
Unemployed	0.060**	0.033	0.040	-0.052	0.026	-0.034	0.007
	(0.026)	(0.035)	(0.029)	(0.038)	(0.037)	(0.036)	(0.038)
Out of labor force	0.016	0.024	0.022	-0.000	0.039	0.015	0.035
	(0.020)	(0.025)	(0.021)	(0.027)	(0.026)	(0.025)	(0.028)
CNN	0.021	0.000	-0.006	0.051*	0.015	-0.004	-0.010
	(0.019)	(0.025)	(0.021)	(0.026)	(0.026)	(0.025)	(0.027)
Fox News	-0.000	-0.055**	-0.041**	0.050**	0.004	-0.065***	0.053**
	(0.017)	(0.023)	(0.019)	(0.024)	(0.023)	(0.022)	(0.025)
Social media	0.043**	0.022	0.007	0.051**	0.067***	0.031	0.062**
	(0.017)	(0.023)	(0.019)	(0.025)	(0.024)	(0.023)	(0.025)
NPR	-0.001	0.035	0.061***	0.010	0.086***	0.014	-0.013
	(0.022)	(0.028)	(0.023)	(0.031)	(0.029)	(0.029)	(0.032)
NYT	-0.042*	-0.058**	-0.042*	0.021	0.017	-0.082***	0.038
	(0.023)	(0.030)	(0.025)	(0.031)	(0.030)	(0.030)	(0.032)
WSJ	-0.011	-0.002	-0.006	-0.005	-0.080***	-0.009	0.005
	(0.023)	(0.030)	(0.025)	(0.032)	(0.031)	(0.030)	(0.032)
Observations	2247	2247	2247	2247	2247	2247	2247
Adj. R^2	0.027	0.036	0.046	0.044	0.039	0.050	0.023
$\mathbb{E}$(Dependent variable)	0.849	0.696	0.819	0.584	0.644	0.692	0.552
Mean income <40k	0.811	0.638	0.791	0.505	0.611	0.661	0.484
Mean income >125k	0.877	0.751	0.830	0.675	0.671	0.711	0.607
Mean democrat	0.825	0.683	0.823	0.550	0.615	0.660	0.531
Mean republican	0.872	0.719	0.833	0.675	0.686	0.746	0.637
Mean 18-29 years old	0.790	0.599	0.724	0.514	0.538	0.566	0.503
Mean 30-49 years old	0.834	0.678	0.802	0.557	0.622	0.671	0.557
Mean 50-69 years old	0.901	0.773	0.894	0.655	0.730	0.792	0.577
Dependent variable std. dev.	0.358	0.460	0.385	0.493	0.479	0.462	0.497

Notes: Errors are heteroskedasticity robust. Controls not reported in the regression are: order of inflation and unemployment in the conjoint section, whether the respondent has seen information before the conjoint, race, marital status, treatment assignment, order of sections, interaction of order of sections and treatment assignment, all other news sources not reported in the table. Omitted categories are: male (for gender), 18-29 years old (for age), Democrat (for political affiliation), no college (for education), income below 40k (for income), employed (for employment status). * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$.

TABLE A10: IMPORTANT CONSEQUENCES OF INFLATION II

	Important consequence of inflation:				
	Decreases value of the dollar	Decreases national prestige	Increases inequality	Decreases social cohesion	Decreases trust in government
	(1)	(2)	(3)	(4)	(5)
Female	-0.035*	-0.023	-0.014	-0.061***	-0.020
	(0.021)	(0.021)	(0.022)	(0.022)	(0.020)
30-49 years old	0.102***	0.026	-0.054*	0.046	0.046
	(0.030)	(0.031)	(0.030)	(0.030)	(0.029)
50-69 years old	0.246***	0.215***	-0.061*	0.141***	0.141***
	(0.034)	(0.034)	(0.035)	(0.035)	(0.032)
Independent	0.060**	0.053**	-0.047*	-0.019	0.008
	(0.024)	(0.025)	(0.025)	(0.025)	(0.023)
Republican	0.123***	0.066**	-0.089***	-0.010	0.034
	(0.027)	(0.028)	(0.028)	(0.028)	(0.025)
College Degree	0.049**	0.077***	0.121***	0.103***	0.030
	(0.024)	(0.024)	(0.025)	(0.026)	(0.022)
Studied economics	0.002	-0.039	0.036	0.024	-0.008
	(0.025)	(0.027)	(0.027)	(0.027)	(0.024)
Income between 40k and 125k	0.066***	0.066**	0.057**	0.039	0.071***
	(0.025)	(0.027)	(0.026)	(0.026)	(0.024)
Income >125k	0.056*	0.061*	0.132***	0.068**	0.107***
	(0.032)	(0.034)	(0.034)	(0.034)	(0.030)
Has children	-0.018	-0.038	-0.060**	-0.032	-0.018
	(0.024)	(0.025)	(0.025)	(0.025)	(0.023)
Unemployed	-0.052	-0.023	0.118***	0.010	0.063*
	(0.037)	(0.037)	(0.036)	(0.037)	(0.034)
Out of labor force	0.038	-0.004	0.067**	0.030	0.034
	(0.025)	(0.027)	(0.027)	(0.028)	(0.024)
CNN	-0.018	0.009	0.044*	0.005	-0.012
	(0.025)	(0.026)	(0.026)	(0.026)	(0.024)
Fox News	-0.069***	-0.009	-0.077***	-0.054**	-0.070***
	(0.023)	(0.024)	(0.024)	(0.024)	(0.022)
Social media	0.035	0.051**	-0.016	0.066***	0.026
	(0.023)	(0.024)	(0.025)	(0.025)	(0.022)
NPR	0.054*	0.060**	0.144***	0.121***	0.060**
	(0.029)	(0.030)	(0.031)	(0.031)	(0.028)
NYT	-0.021	-0.070**	0.023	-0.041	-0.059**
	(0.030)	(0.031)	(0.031)	(0.030)	(0.029)
WSJ	-0.033	-0.013	0.037	-0.009	0.027
	(0.030)	(0.031)	(0.032)	(0.031)	(0.029)
Observations	2247	2247	2247	2247	2247
Adj. R^2	0.088	0.061	0.074	0.050	0.045
$\mathbb{E}$(Dependent variable)	0.637	0.585	0.475	0.481	0.720
Mean income <40k	0.584	0.522	0.405	0.416	0.667
Mean income >125k	0.657	0.616	0.583	0.557	0.763
Mean democrat	0.578	0.541	0.540	0.502	0.710
Mean republican	0.722	0.641	0.395	0.480	0.749
Mean 18-29 years old	0.480	0.472	0.497	0.374	0.611
Mean 30-49 years old	0.596	0.524	0.474	0.466	0.693
Mean 50-69 years old	0.776	0.716	0.463	0.562	0.815
Dependent variable std. dev.	0.481	0.493	0.500	0.500	0.449

Notes: Errors are heteroskedasticity robust. Controls not reported in the regression are: order of inflation and unemployment in the conjoint section, whether the respondent has seen information before the conjoint, race, marital status, treatment assignment, order of sections, interaction of order of sections and treatment assignment, all other news sources not reported in the table. Omitted categories are: male (for gender), 18-29 years old (for age), Democrat (for political affiliation), no college (for education), income below 40k (for income), employed (for employment status). * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$.

TABLE A11: MOST IMPORTANT CONSEQUENCES OF INFLATION I

	Most important consequence of inflation:						
	Makes budgeting harder	Makes households more uncertain	Shoe-leather cost	Makes firms decisions harder	Causes resource misallocation	Slows down GDP growth	Menu costs
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Female	0.072***	-0.004	0.012	0.000	-0.020	0.010	-0.009
	(0.022)	(0.006)	(0.011)	(0.008)	(0.014)	(0.014)	(0.011)
30-49 years old	0.007	0.011	-0.036**	-0.003	-0.012	0.003	0.008
	(0.030)	(0.007)	(0.017)	(0.013)	(0.019)	(0.021)	(0.017)
50-69 years old	0.042	0.015	-0.030	-0.014	0.016	-0.032	-0.007
	(0.035)	(0.010)	(0.021)	(0.014)	(0.022)	(0.023)	(0.018)
Independent	-0.018	0.006	0.027**	0.008	0.003	-0.011	-0.028*
	(0.026)	(0.007)	(0.012)	(0.010)	(0.016)	(0.016)	(0.015)
Republican	-0.002	-0.010	0.038***	0.009	0.005	-0.007	-0.057***
	(0.029)	(0.007)	(0.014)	(0.011)	(0.019)	(0.018)	(0.014)
College Degree	0.039	0.006	0.003	-0.007	0.014	-0.035**	0.013
	(0.026)	(0.007)	(0.012)	(0.009)	(0.016)	(0.016)	(0.014)
Studied economics	0.002	-0.000	-0.014	0.013	0.000	-0.011	0.006
	(0.028)	(0.008)	(0.013)	(0.012)	(0.018)	(0.017)	(0.015)
Income between 40k and 125k	0.018	0.002	-0.005	0.007	0.004	-0.021	0.016
	(0.027)	(0.006)	(0.014)	(0.010)	(0.018)	(0.018)	(0.014)
Income >125k	0.031	-0.010	-0.002	-0.005	-0.008	-0.020	0.035*
	(0.034)	(0.008)	(0.016)	(0.011)	(0.023)	(0.022)	(0.019)
Has children	-0.003	-0.013*	0.023*	0.015	-0.001	-0.001	-0.012
	(0.026)	(0.007)	(0.012)	(0.011)	(0.017)	(0.017)	(0.013)
Unemployed	-0.041	-0.018***	0.030	-0.011	0.020	-0.016	0.040*
	(0.037)	(0.005)	(0.022)	(0.013)	(0.026)	(0.024)	(0.022)
Out of labor force	-0.049*	0.002	0.000	-0.014	-0.010	-0.005	0.043***
	(0.029)	(0.007)	(0.014)	(0.009)	(0.018)	(0.017)	(0.016)
CNN	0.017	0.012*	0.003	0.011	-0.028	0.019	-0.006
	(0.027)	(0.007)	(0.013)	(0.011)	(0.017)	(0.017)	(0.014)
Fox News	-0.046*	-0.001	0.005	-0.000	0.005	-0.003	-0.019
	(0.025)	(0.006)	(0.013)	(0.009)	(0.016)	(0.015)	(0.013)
Social media	-0.003	0.007	-0.007	0.004	0.011	-0.012	-0.009
	(0.026)	(0.008)	(0.014)	(0.009)	(0.016)	(0.015)	(0.014)
NPR	-0.011	0.009	-0.016	0.005	0.012	-0.040**	0.050**
	(0.032)	(0.009)	(0.014)	(0.013)	(0.022)	(0.019)	(0.021)
NYT	-0.030	-0.006	0.024	-0.007	0.008	0.014	0.023
	(0.030)	(0.006)	(0.016)	(0.012)	(0.021)	(0.020)	(0.018)
WSJ	-0.023	-0.003	-0.034**	0.014	0.002	0.004	-0.008
	(0.031)	(0.005)	(0.016)	(0.013)	(0.022)	(0.022)	(0.018)
Observations	2054	2054	2054	2054	2054	2054	2054
Adj. R^2	0.010	0.001	0.006	0.008	-0.003	0.005	0.025
$\mathbb{E}$(Dependent variable)	0.339	0.015	0.061	0.034	0.109	0.100	0.067
Mean income <40k	0.303	0.014	0.073	0.028	0.104	0.115	0.061
Mean income >125k	0.365	0.009	0.051	0.029	0.107	0.092	0.087
Mean democrat	0.353	0.016	0.043	0.031	0.104	0.111	0.094
Mean republican	0.342	0.005	0.077	0.037	0.116	0.095	0.028
Mean 18-29 years old	0.293	0.008	0.080	0.045	0.099	0.118	0.070
Mean 30-49 years old	0.335	0.016	0.046	0.042	0.097	0.113	0.073
Mean 50-69 years old	0.373	0.017	0.064	0.018	0.127	0.076	0.058
Dependent variable std. dev.	0.473	0.120	0.239	0.181	0.311	0.300	0.250

Notes: Errors are heteroskedasticity robust. Controls not reported in the regression are: order of inflation and unemployment in the conjoint section, whether the respondent has seen information before the conjoint, race, marital status, treatment assignment, order of sections, interaction of order of sections and treatment assignment, all other news sources not reported in the table. Omitted categories are: male (for gender), 18-29 years old (for age), Democrat (for political affiliation), no college (for education), income below 40k (for income), employed (for employment status). * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$.

TABLE A12: MOST IMPORTANT CONSEQUENCES OF INFLATION II

	Most important consequence of inflation:				
	Decreases value of the dollar	Decreases national prestige	Increases inequality	Decreases social cohesion	Decreases trust in government
	(1)	(2)	(3)	(4)	(5)
Female	0.005	0.002	-0.010	-0.052***	-0.006
	(0.008)	(0.007)	(0.012)	(0.017)	(0.005)
30-49 years old	-0.031***	-0.012	0.002	0.055**	0.008
	(0.012)	(0.011)	(0.017)	(0.022)	(0.008)
50-69 years old	-0.036***	-0.008	-0.011	0.066**	0.000
	(0.013)	(0.013)	(0.020)	(0.026)	(0.008)
Independent	0.004	0.005	-0.010	0.018	-0.002
	(0.009)	(0.008)	(0.014)	(0.018)	(0.006)
Republican	-0.008	0.010	-0.019	0.042**	-0.000
	(0.009)	(0.009)	(0.016)	(0.020)	(0.007)
College Degree	-0.007	-0.010	0.000	-0.002	-0.016***
	(0.009)	(0.007)	(0.014)	(0.020)	(0.005)
Studied economics	0.001	0.014	0.004	-0.017	0.000
	(0.010)	(0.010)	(0.016)	(0.019)	(0.006)
Income between 40k and 125k	-0.024**	0.011	-0.015	0.008	-0.001
	(0.011)	(0.008)	(0.014)	(0.021)	(0.007)
Income >125k	-0.016	-0.007	-0.001	0.004	0.000
	(0.013)	(0.009)	(0.018)	(0.027)	(0.010)
Has children	0.002	0.009	-0.000	-0.006	-0.014**
	(0.009)	(0.007)	(0.012)	(0.020)	(0.006)
Unemployed	-0.037***	0.018	0.001	0.009	0.006
	(0.010)	(0.014)	(0.021)	(0.029)	(0.011)
Out of labor force	-0.009	0.002	-0.015	0.061***	-0.006
	(0.010)	(0.008)	(0.015)	(0.023)	(0.005)
CNN	0.001	0.009	-0.028*	-0.014	0.003
	(0.010)	(0.009)	(0.015)	(0.020)	(0.007)
Fox News	0.015	0.009	0.026**	0.007	0.002
	(0.010)	(0.008)	(0.013)	(0.019)	(0.006)
Social media	0.002	0.013**	-0.007	-0.003	0.005
	(0.008)	(0.006)	(0.013)	(0.020)	(0.005)
NPR	-0.002	0.017	-0.014	-0.010	0.001
	(0.009)	(0.011)	(0.019)	(0.021)	(0.007)
NYT	0.018	0.023*	-0.032**	-0.029	-0.007
	(0.014)	(0.012)	(0.016)	(0.023)	(0.007)
WSJ	-0.013	0.000	0.025	0.016	0.019**
	(0.014)	(0.011)	(0.018)	(0.023)	(0.009)
Observations	2054	2054	2054	2054	2054
Adj. R^2	0.020	0.009	0.007	0.017	0.014
$\mathbb{E}$(Dependent variable)	0.027	0.022	0.069	0.146	0.012
Mean income <40k	0.042	0.019	0.066	0.160	0.016
Mean income >125k	0.024	0.013	0.085	0.130	0.009
Mean democrat	0.027	0.017	0.078	0.114	0.012
Mean republican	0.018	0.026	0.063	0.181	0.012
Mean 18-29 years old	0.060	0.037	0.064	0.109	0.016
Mean 30-49 years old	0.022	0.019	0.079	0.141	0.017
Mean 50-69 years old	0.010	0.016	0.062	0.175	0.004
Dependent variable std. dev.	0.161	0.146	0.254	0.353	0.110

Notes: Errors are heteroskedasticity robust. Controls not reported in the regression are: order of inflation and unemployment in the conjoint section, whether the respondent has seen information before the conjoint, race, marital status, treatment assignment, order of sections, interaction of order of sections and treatment assignment, all other news sources not reported in the table. Omitted categories are: male (for gender), 18-29 years old (for age), Democrat (for political affiliation), no college (for education), income below 40k (for income), employed (for employment status). * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$.

TABLE A13: PERCEIVED TRADEOFFS

	Necessary policy tradeoff to reduce inflation:							
	Increase unemployment	Reduce spending	Reduce growth	Reduce debt	Inflation happens more often in a boom	Inflation sign of a good economy	Policies to reduce unemployment increase inflation	Inflation is a side effect of positive economic developments
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Female	-0.019	-0.019	0.012	-0.009	-0.063***	-0.029**	-0.003	-0.043**
	(0.020)	(0.021)	(0.021)	(0.022)	(0.021)	(0.014)	(0.022)	(0.021)
30-49 years old	0.041	-0.018	0.027	0.011	-0.006	-0.031	-0.048	-0.058**
	(0.029)	(0.030)	(0.030)	(0.030)	(0.028)	(0.019)	(0.031)	(0.029)
50-69 years old	-0.050	-0.101***	-0.107***	0.035	0.002	-0.003	-0.024	-0.048
	(0.033)	(0.033)	(0.034)	(0.035)	(0.032)	(0.022)	(0.035)	(0.033)
Independent	-0.047**	-0.074***	-0.058**	0.003	-0.032	-0.007	-0.013	-0.102***
	(0.023)	(0.024)	(0.024)	(0.025)	(0.024)	(0.016)	(0.025)	(0.024)
Republican	-0.004	-0.017	-0.012	0.083***	-0.030	-0.009	0.016	-0.062**
	(0.026)	(0.027)	(0.027)	(0.027)	(0.026)	(0.018)	(0.028)	(0.027)
College Degree	-0.052**	-0.048**	-0.057**	0.019	0.015	0.030*	0.050**	-0.001
	(0.023)	(0.023)	(0.024)	(0.025)	(0.024)	(0.016)	(0.026)	(0.025)
Studied economics	-0.016	0.010	0.019	-0.030	0.042	-0.003	0.024	0.003
	(0.025)	(0.026)	(0.026)	(0.027)	(0.026)	(0.018)	(0.028)	(0.026)
Income between 40k and 125k	-0.037	-0.074***	-0.059**	-0.012	0.028	-0.008	0.062**	0.013
	(0.024)	(0.026)	(0.026)	(0.027)	(0.024)	(0.016)	(0.026)	(0.026)
Income >125k	0.004	-0.078**	-0.046	0.025	0.031	0.022	0.058*	0.043
	(0.032)	(0.033)	(0.033)	(0.034)	(0.032)	(0.021)	(0.034)	(0.033)
Has children	0.020	0.071***	0.014	0.000	-0.018	-0.001	-0.037	0.024
	(0.023)	(0.023)	(0.024)	(0.025)	(0.023)	(0.016)	(0.025)	(0.024)
Unemployed	0.012	-0.022	-0.036	-0.028	-0.014	0.066***	-0.017	0.046
	(0.035)	(0.036)	(0.035)	(0.037)	(0.034)	(0.025)	(0.037)	(0.036)
Out of labor force	-0.032	-0.085***	-0.061**	-0.022	-0.019	-0.001	-0.012	-0.009
	(0.024)	(0.025)	(0.025)	(0.028)	(0.025)	(0.016)	(0.027)	(0.027)
Video information treatment	-0.020	0.013	-0.027	-0.013	0.070***	0.030**	0.125***	0.268***
	(0.019)	(0.019)	(0.019)	(0.020)	(0.019)	(0.013)	(0.021)	(0.020)
Exact values treatment	0.001	0.014	0.007	0.010	0.005	0.004	0.028	-0.018
	(0.019)	(0.020)	(0.020)	(0.020)	(0.019)	(0.013)	(0.021)	(0.020)
Policy first	-0.054**	-0.074***	-0.118***	-0.026	0.021	0.007	-0.005	0.045*
	(0.022)	(0.023)	(0.022)	(0.024)	(0.023)	(0.015)	(0.024)	(0.023)
Unemployment first in conjoint	-0.024	-0.045**	-0.002	-0.014	0.012	-0.018	-0.020	0.001
	(0.019)	(0.020)	(0.020)	(0.020)	(0.019)	(0.013)	(0.021)	(0.020)
CNN	-0.000	0.010	0.049*	-0.010	0.034	0.015	0.032	0.090***
	(0.024)	(0.025)	(0.026)	(0.026)	(0.025)	(0.017)	(0.026)	(0.026)
Fox News	0.041*	0.063***	0.036	0.081***	-0.100***	-0.008	0.007	-0.017
	(0.023)	(0.024)	(0.024)	(0.024)	(0.023)	(0.015)	(0.025)	(0.024)
Social media	0.035	0.019	0.033	0.062**	0.039*	-0.001	0.045*	0.005
	(0.022)	(0.023)	(0.023)	(0.025)	(0.023)	(0.015)	(0.025)	(0.024)
NPR	-0.026	-0.020	-0.079***	-0.074**	0.009	0.048**	-0.027	0.008
	(0.028)	(0.030)	(0.029)	(0.030)	(0.031)	(0.023)	(0.032)	(0.030)
NYT	0.021	0.046	0.112***	0.015	0.050	0.027	-0.008	0.047
	(0.029)	(0.031)	(0.030)	(0.031)	(0.031)	(0.021)	(0.032)	(0.030)
WSJ	0.066**	0.091***	0.023	0.058*	0.064**	0.003	0.043	0.023
	(0.030)	(0.031)	(0.031)	(0.031)	(0.031)	(0.022)	(0.032)	(0.030)
Observations	2247	2247	2247	2246	2246	2246	2246	2248
Adj. R^2	0.066	0.084	0.081	0.028	0.033	0.014	0.030	0.129
$\mathbb{E}$(Dependent variable)	0.315	0.353	0.372	0.618	0.280	0.092	0.345	0.318
Mean income <40k	0.312	0.361	0.390	0.585	0.238	0.074	0.292	0.394
Mean income >125k	0.356	0.366	0.363	0.644	0.331	0.113	0.387	0.531
Mean democrat	0.344	0.407	0.424	0.578	0.340	0.122	0.356	0.531
Mean republican	0.327	0.352	0.376	0.682	0.230	0.067	0.388	0.422
Mean 18-29 years old	0.335	0.424	0.432	0.658	0.292	0.121	0.366	0.478
Mean 30-49 years old	0.384	0.402	0.443	0.598	0.281	0.081	0.362	0.464
Mean 50-69 years old	0.234	0.261	0.266	0.615	0.273	0.088	0.315	0.424
Dependent variable std. dev.	0.465	0.478	0.483	0.486	0.449	0.290	0.475	0.466

Notes: Errors are heteroskedasticity robust. Controls not reported in the regression are: order of inflation and unemployment in the conjoint section, whether the respondent has seen information before the conjoint, race, marital status, treatment assignment, order of sections, interaction of order of sections and treatment assignment, all other news sources not reported in the table. Omitted categories are: male (for gender), 18-29 years old (for age), Democrat (for political affiliation), no college (for education), income below 40k (for income), employed (for employment status). The sample means are calculated only on the sample of respondents that did not see the video. * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$.

TABLE A14: CORRELATION BETWEEN PERCEIVED TRADEOFFS AND BELIEFS ABOUT INFLATION

	Necessary policy tradeoff to reduce inflation:							
	Increase unemployment	Reduce spending	Reduce growth	Reduce debt	Inflation happens more often in a boom	Inflation sign of a good economy	Policies to reduce unemployment increase inflation	Inflation is a side effect of positive economic developments
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Perceived causes of inflation								
Changes in the labor market (e.g., wage-price spirals, labor shortages)	0.026	0.043	-0.021	-0.108***	0.051	0.052**	0.031	0.047
	(0.034)	(0.034)	(0.034)	(0.036)	(0.035)	(0.025)	(0.036)	(0.035)
Actions by the Federal Reserve (e.g, decrease interest rate, increase money supply)	-0.109***	-0.055*	-0.049*	-0.178***	0.074**	0.037*	0.007	0.005
	(0.028)	(0.029)	(0.030)	(0.031)	(0.030)	(0.021)	(0.031)	(0.030)
Politicians and political interests	-0.037	-0.033	-0.048	-0.118***	-0.053*	-0.007	-0.038	-0.092***
	(0.030)	(0.031)	(0.031)	(0.033)	(0.030)	(0.022)	(0.033)	(0.032)
Households spending more (e.g., because of optimism, because of increases in inflation expectations)	-0.052	0.107***	0.020	-0.167***	0.107***	0.086***	-0.060	0.122***
	(0.035)	(0.038)	(0.037)	(0.038)	(0.038)	(0.028)	(0.036)	(0.037)
Actions by firms and businesses (e.g., decrease in competition, increase prices to increase profits)	-0.102***	-0.031	-0.026	-0.228***	0.037	0.045**	-0.060*	-0.046
	(0.029)	(0.030)	(0.030)	(0.032)	(0.031)	(0.022)	(0.031)	(0.031)
Increases in costs of production (e.g., supply chain disruptions, increases in oil prices)	-0.073***	-0.031	-0.054**	-0.158***	0.051*	0.043**	-0.012	0.075***
	(0.025)	(0.027)	(0.027)	(0.028)	(0.027)	(0.019)	(0.028)	(0.028)
Perceived consequences of inflation								
Cognitive costs (uncertainty & complex budgeting)	-0.034***	-0.035***	-0.041***	0.010	0.002	-0.009	0.023*	0.012
	(0.012)	(0.012)	(0.012)	(0.012)	(0.012)	(0.009)	(0.012)	(0.012)
Political & social costs (trust in govt, social cohesion, inequality, lower natl. prestige)	-0.033***	-0.030**	-0.033***	0.009	-0.001	0.001	0.003	-0.015
	(0.012)	(0.012)	(0.012)	(0.013)	(0.013)	(0.008)	(0.013)	(0.012)
Efficiency & economic costs (dollar value, GDP growth, resource misalloc., menu & shoeleather costs, firms daily decisions)	-0.021*	-0.020	0.002	0.040***	-0.000	-0.006	0.019	-0.012
	(0.012)	(0.012)	(0.013)	(0.013)	(0.013)	(0.009)	(0.013)	(0.012)
Perceived distributional impacts of inflation								
Low income lost more than high income	-0.028	-0.066**	-0.066**	-0.027	-0.017	-0.009	0.049*	0.012
	(0.027)	(0.028)	(0.028)	(0.027)	(0.027)	(0.019)	(0.028)	(0.027)
Knowledge of inflation								
Number of correct answers to conditional correlations	0.042***	0.038***	0.035***	0.037***	0.055***	0.015*	0.065***	0.021*
	(0.011)	(0.011)	(0.011)	(0.012)	(0.011)	(0.008)	(0.012)	(0.012)
Asset exposure								
Above median net nominal position exposure	0.050***	0.043**	0.043**	0.040*	0.033	-0.015	0.058***	0.069***
	(0.019)	(0.020)	(0.020)	(0.021)	(0.020)	(0.013)	(0.021)	(0.020)
Observations	2249	2249	2249	2248	2249	2249	2249	2250
Adj. R^2	0.080	0.094	0.078	0.052	0.043	0.020	0.056	0.133
$\mathbb{E}$(Dependent variable)	0.315	0.350	0.371	0.621	0.283	0.094	0.348	0.319
Dependent variable std. dev.	0.465	0.477	0.483	0.485	0.451	0.292	0.477	0.466

Notes: Errors are heteroskedasticity robust. Controls not reported in the regression are: order of the sections (causes first vs. policy views first), treatment assignment, gender, age, political affiliation, education, income, employment status. The omitted category for the perceived causes of inflation is "government spending, debt, and taxation". The sample means are calculated only on the sample of respondents that did not see the video. * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$.

TABLE A15: MULTIPLE HYPOTHESIS TESTING FOR LINK BETWEEN PERCEIVED TRADE-OFFS AND BELIEFS ABOUT INFLATION

	Necessary policy tradeoff to reduce inflation:							
	Increase unemployment	Reduce spending	Reduce growth	Reduce debt	Inflation happens more often in a boom	Inflation sign of a good economy	Policies to reduce unemployment increase inflation	Inflation is a side effect of positive economic developments
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Perceived causes of inflation								
Changes in the labor market (e.g., wage-price spirals, labor shortages)	1.000	1.000	1.000	0.196	0.996	0.852	1.000	0.999
Actions by the Federal Reserve (e.g, decrease interest rate, increase money supply)	0.014	0.937	0.978	0.001	0.548	0.959	1.000	1.000
Politicians and political interests	1.000	1.000	0.989	0.031	0.970	1.000	1.000	0.225
Households spending more (e.g., because of optimism, because of increases in inflation expectations)	0.996	0.276	1.000	0.002	0.276	0.172	0.978	0.089
Actions by firms and businesses (e.g., decrease in competition, increase prices to increase profits)	0.032	1.000	1.000	0.001	1.000	0.866	0.934	0.994
Increases in costs of production (e.g., supply chain disruptions, increases in oil prices)	0.250	1.000	0.902	0.001	0.937	0.787	1.000	0.353
Perceived consequences of inflation								
Cognitive costs (uncertainty & complex budgeting)	0.276	0.205	0.059	1.000	1.000	1.000	0.930	1.000
Political & social costs (trust in govt, social cohesion, inequality, lower natl. prestige)	0.276	0.504	0.410	1.000	1.000	1.000	1.000	1.000
Efficiency costs (dollar value, GDP growth, resource misalloc., menu & shoeleather costs, firms daily decisions)	0.970	0.978	1.000	0.156	1.000	1.000	0.996	1.000
Perceived distributional impacts of inflation								
Low income lost more than high income	1.000	0.655	0.655	1.000	1.000	1.000	0.962	1.000
Knowledge of inflation								
Number of correct answers to conditional correlations	0.018	0.067	0.149	0.158	0.002	0.962	0.001	0.958
Number of correct answers to conditional correlations	0.018	0.067	0.149	0.158	0.002	0.962	0.001	0.958
Asset exposure								
Above median net nominal position exposure	0.426	0.852	0.852	0.934	0.978	1.000	0.309	0.065

Notes: Each cell reports the Romano-Wolf adjusted p-value obtained with the `rwolf2` package from Clarke (2021) for the estimates of Table A14. 1000 bootstrap iterations, seed 15112001.

TABLE A16: CORRELATES OF PERCEPTIONS AND EXPECTATIONS

	Perceived inflation	Perceived unemployment	Expected inflation	Expected unemployment
	(1)	(2)	(3)	(4)
Female	1.229***	4.529***	1.002***	3.979***
	(0.294)	(0.613)	(0.297)	(0.639)
30-49 years old	-0.166	-5.261***	-0.933**	-4.234***
	(0.429)	(0.853)	(0.430)	(0.889)
50-69 years old	-1.218**	-10.684***	-1.532***	-9.257***
	(0.483)	(0.985)	(0.485)	(1.026)
Independent	0.808**	1.806**	0.998***	2.377***
	(0.340)	(0.711)	(0.344)	(0.742)
Republican	1.077***	1.752**	1.412***	1.780**
	(0.379)	(0.789)	(0.383)	(0.822)
College Degree	-0.346	-3.295***	-0.324	-3.663***
	(0.333)	(0.713)	(0.338)	(0.742)
Studied economics	0.187	-0.650	-0.045	0.222
	(0.365)	(0.770)	(0.372)	(0.803)
Income between 40k and 125k	-1.418***	-5.698***	-1.276***	-4.798***
	(0.371)	(0.747)	(0.377)	(0.779)
Income >125k	-1.858***	-5.243***	-2.068***	-4.696***
	(0.460)	(0.953)	(0.466)	(0.993)
Has children	0.789**	1.091	0.822**	1.055
	(0.346)	(0.707)	(0.348)	(0.737)
Unemployed	-1.599***	1.682	-0.636	1.050
	(0.521)	(1.040)	(0.526)	(1.085)
Out of labor force	-0.785**	-2.167***	-0.271	-1.945**
	(0.367)	(0.778)	(0.372)	(0.812)
CNN	-0.645*	-1.751**	-0.378	-1.477*
	(0.354)	(0.740)	(0.361)	(0.772)
Fox News	1.086***	3.046***	1.302***	2.884***
	(0.333)	(0.687)	(0.337)	(0.716)
Social media	0.715**	0.054	0.907***	0.716
	(0.337)	(0.704)	(0.338)	(0.734)
NPR	-0.840**	-2.834***	-0.858**	-2.996***
	(0.416)	(0.882)	(0.423)	(0.919)
NYT	-1.069**	1.426	-0.809*	2.646***
	(0.421)	(0.873)	(0.426)	(0.910)
WSJ	-0.094	-2.809***	0.393	-3.310***
	(0.426)	(0.891)	(0.431)	(0.928)
Observations	1763	2240	1781	2239
Adj. R^2	0.069	0.219	0.081	0.180
$\mathbb{E}$(Dependent variable)	8.113	18.419	6.547	18.918
Mean income <40	9.179	24.897	7.810	25.333
Mean income >125k	7.177	13.889	5.349	14.578
Mean democrat	7.325	16.836	5.460	16.581
Mean republican	8.711	18.646	7.456	18.887
Mean 18-29 years old	8.986	27.267	8.003	27.997
Mean 30-49 years old	8.358	18.764	6.485	19.326
Mean 50-69 years old	7.464	12.633	5.870	12.955
Dependent variable std. dev.	5.899	18.253	6.213	19.203

Notes: Controls not reported in the regression are race, marital status. Omitted categories are: male (for gender), 18-29 years old (for age), Democrat (for political affiliation), no college (for education), income below 40k (for income), employed (for employment status), all other news sources not reported in the table. Inflation expectations are censored at -10 and +25. * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$.

TABLE A17: INFLATION EXPECTATIONS AND PERCEIVED CAUSES OF INFLATION

	Perceived inflation	Expected inflation	Perceived inflation	Expected inflation	Perceived inflation	Expected inflation
	(1)	(2)	(3)	(4)	(5)	(6)
Actions by the Federal Reserve	-1.846***	-0.689	-0.799*	-0.606	-0.095	-0.450
	(0.547)	(0.527)	(0.415)	(0.421)	(0.274)	(0.332)
Changes in the labor market	-1.450**	-0.271	-0.915*	-0.488	-0.749**	-0.464
	(0.635)	(0.611)	(0.486)	(0.491)	(0.327)	(0.388)
Politicians and political interests	0.492	0.476	0.394	0.304	0.285	-0.002
	(0.582)	(0.561)	(0.449)	(0.459)	(0.302)	(0.365)
Households spending more	-1.635**	-1.089*	-1.039**	-1.661***	-0.849**	-1.332***
	(0.671)	(0.646)	(0.517)	(0.531)	(0.346)	(0.419)
Actions by firms and businesses	-1.562***	-1.360**	-1.192***	-1.150***	-0.738***	-0.964***
	(0.561)	(0.540)	(0.418)	(0.425)	(0.278)	(0.331)
Increases in costs of production	-1.165**	-1.272***	-0.677*	-0.910**	-0.125	-0.742**
	(0.499)	(0.480)	(0.380)	(0.387)	(0.252)	(0.305)
Observations	2252	2252	1768	1786	1414	1532
Adj. R^2	0.072	0.059	0.065	0.072	0.049	0.045
$\mathbb{E}$(Dependent variable)	15.216	11.682	8.104	6.542	5.697	4.663
Mean income <40	19.186	15.687	9.161	7.820	6.137	5.193
Mean income >125k	12.109	8.874	7.189	5.384	5.250	3.988
Mean democrat	13.814	9.214	7.301	5.462	5.231	3.937
Mean republican	16.572	13.892	8.722	7.427	6.100	5.278
Mean 18-29 years old	19.462	15.352	8.986	8.003	6.090	4.927
Mean 30-49 years old	16.184	11.836	8.351	6.468	5.752	4.648
Mean 50-69 years old	11.662	9.302	7.454	5.879	5.478	4.563
Dependent variable std. dev.	21.897	22.965	5.889	6.209	3.577	4.358
Sample	Full	Full	(-10,25)	(-10,25)	(-10,15)	(-10,15)

Notes: Controls not reported in the regression are: gender, age, political affiliation, education, income, employment status, marital status, and having kids. The omitted category for the perceived causes of inflation is "government spending, debt, and taxation". Columns 1 and 2 estimate the results on the whole sample, columns 3 and 4 censoring at (-10,25), a nd columns 5 and 6 censoring at (-10,15). * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$.

TABLE A18: CONJOINT EXPERIMENT: HETEROGENEITIES

	Probability of being chosen	
	(1)	(2)
Δ u	-0.014***	-0.014***
	(0.002)	(0.002)
$\Delta \pi$	-0.028***	-0.028***
	(0.002)	(0.002)
Δ u $\times$ 30-49 years old	-0.001	-0.001
	(0.002)	(0.002)
$\Delta \pi \times$ 30-49 years old	0.000	0.000
	(0.002)	(0.002)
Δ u $\times$ 50-69 years old	-0.002	-0.002
	(0.002)	(0.002)
$\Delta \pi \times$ 50-69 years old	-0.009***	-0.009***
	(0.002)	(0.002)
Δ u $\times$ Independent	0.002	0.002
	(0.002)	(0.002)
$\Delta \pi \times$ Independent	-0.002	-0.002
	(0.001)	(0.001)
Δ u $\times$ Republican	0.004**	0.004**
	(0.002)	(0.002)
$\Delta \pi \times$ Republican	-0.003*	-0.003*
	(0.002)	(0.002)
Δ u $\times$ Income between 40k and 125k	0.000	0.000
	(0.002)	(0.002)
$\Delta \pi \times$ Income between 40k and 125k	-0.004***	-0.004***
	(0.001)	(0.001)
Δ u $\times$ Income more than 125k	-0.004**	-0.004**
	(0.002)	(0.002)
$\Delta \pi \times$ Income more than 125k	0.001	0.001
	(0.002)	(0.002)
Δ u $\times$ Exposure to unemployment	-0.005	-0.005
	(0.003)	(0.003)
$\Delta \pi \times$ Exposure to unemployment	0.003	0.003
	(0.003)	(0.003)
Δ u $\times$ Exact values treatment	-0.002	-0.002
	(0.001)	(0.001)
$\Delta \pi \times$ Exact values treatment	-0.000	-0.000
	(0.001)	(0.001)
Individual FE		✓
Observations	22626	22626
Adj. R^2	0.336	0.262
$\mathbb{E}$(Dependent variable)	0.500	0.500
Dependent variable std. dev.	0.500	0.500

Notes: Errors are clustered at the individual level. * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$.

TABLE A19: POLICY VIEWS: MONETARY AND FISCAL POLICY

	Monetary policy:				Ways to reduce debt:		
	Increase interest rate	Decrease interest rate	Reduce money supply	Announce future plans for interest rate	Tax high income	Tax high/mid income	Reduce spending on social programs
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Female	-0.105***	0.052**	-0.107***	-0.083***	-0.044**	0.006	-0.070***
	(0.017)	(0.022)	(0.020)	(0.022)	(0.021)	(0.018)	(0.019)
30-49 years old	-0.007	0.036	-0.015	-0.004	0.080***	-0.010	-0.008
	(0.023)	(0.031)	(0.028)	(0.031)	(0.030)	(0.028)	(0.027)
50-69 years old	0.048*	0.046	-0.021	0.010	0.054	-0.122***	-0.004
	(0.028)	(0.036)	(0.033)	(0.035)	(0.034)	(0.030)	(0.031)
Independent	-0.024	0.003	-0.052**	-0.077***	-0.134***	-0.083***	0.045**
	(0.020)	(0.026)	(0.023)	(0.026)	(0.024)	(0.023)	(0.021)
Republican	-0.028	0.032	-0.048*	-0.038	-0.159***	-0.070***	0.090***
	(0.022)	(0.029)	(0.026)	(0.028)	(0.027)	(0.024)	(0.025)
College Degree	0.055***	-0.034	0.062***	0.028	0.015	-0.053**	0.044**
	(0.021)	(0.026)	(0.024)	(0.026)	(0.024)	(0.021)	(0.022)
Studied economics	-0.003	-0.024	-0.003	-0.027	-0.071***	-0.027	0.044*
	(0.023)	(0.028)	(0.026)	(0.028)	(0.026)	(0.023)	(0.024)
Income between 40k and 125k	0.036*	-0.025	0.018	0.069***	0.067**	-0.018	-0.004
	(0.019)	(0.027)	(0.024)	(0.027)	(0.026)	(0.024)	(0.021)
Income >125k	0.060**	-0.009	0.027	0.102***	0.003	-0.040	0.038
	(0.027)	(0.035)	(0.032)	(0.034)	(0.033)	(0.029)	(0.029)
Has children	-0.013	0.026	0.001	-0.011	-0.008	-0.007	-0.025
	(0.019)	(0.026)	(0.023)	(0.025)	(0.024)	(0.021)	(0.021)
Unemployed	-0.010	-0.075**	-0.003	-0.007	0.062*	0.020	-0.060**
	(0.025)	(0.038)	(0.033)	(0.037)	(0.036)	(0.032)	(0.028)
Out of labor force	-0.001	0.001	-0.043*	-0.015	0.057**	0.039*	-0.080***
	(0.020)	(0.028)	(0.024)	(0.028)	(0.027)	(0.023)	(0.022)
Video information treatment	0.017	-0.017	-0.001	-0.001	-0.001	-0.014	0.001
	(0.016)	(0.021)	(0.019)	(0.021)	(0.020)	(0.018)	(0.018)
Exact values treatment	0.030*	-0.007	0.052***	-0.003	0.010	-0.004	0.024
	(0.016)	(0.021)	(0.019)	(0.021)	(0.020)	(0.018)	(0.018)
Policy first	0.046**	-0.002	-0.053**	0.022	-0.024	-0.046**	0.005
	(0.020)	(0.025)	(0.022)	(0.025)	(0.024)	(0.020)	(0.021)
Unemployment first in conjoint	-0.005	0.011	0.016	0.014	0.005	0.013	-0.007
	(0.016)	(0.021)	(0.019)	(0.021)	(0.020)	(0.018)	(0.018)
CNN	0.008	-0.002	0.060**	0.030	0.080***	0.048**	-0.003
	(0.022)	(0.027)	(0.025)	(0.027)	(0.025)	(0.023)	(0.023)
Fox News	-0.037*	0.036	0.055**	-0.009	-0.144***	-0.024	0.074***
	(0.019)	(0.025)	(0.023)	(0.025)	(0.024)	(0.021)	(0.022)
Social media	0.038**	-0.006	0.026	0.067***	0.004	0.027	-0.002
	(0.019)	(0.026)	(0.023)	(0.025)	(0.024)	(0.020)	(0.021)
NPR	-0.000	-0.065**	-0.041	0.004	0.083***	0.023	-0.057**
	(0.027)	(0.032)	(0.030)	(0.032)	(0.029)	(0.028)	(0.026)
NYT	-0.005	0.005	0.022	0.011	0.016	0.084***	-0.038
	(0.026)	(0.031)	(0.029)	(0.032)	(0.030)	(0.028)	(0.027)
WSJ	0.096***	-0.056*	0.041	0.059*	-0.066**	0.011	0.057**
	(0.027)	(0.032)	(0.030)	(0.032)	(0.031)	(0.028)	(0.028)
Observations	2246	2245	2246	2246	2244	2245	2246
Adj. R^2	0.064	0.011	0.064	0.036	0.077	0.068	0.070
$\mathbb{E}$(Dependent variable)	0.180	0.500	0.307	0.456	0.595	0.250	0.239
Mean income <40k	0.097	0.516	0.238	0.384	0.586	0.255	0.192
Mean income >125k	0.271	0.465	0.380	0.521	0.574	0.208	0.299
Mean democrat	0.192	0.506	0.361	0.499	0.698	0.321	0.194
Mean republican	0.173	0.536	0.309	0.442	0.518	0.215	0.306
Mean 18-29 years old	0.163	0.424	0.280	0.436	0.494	0.307	0.241
Mean 30-49 years old	0.175	0.494	0.337	0.494	0.640	0.294	0.270
Mean 50-69 years old	0.194	0.550	0.293	0.430	0.608	0.171	0.207
Dependent variable std. dev.	0.384	0.500	0.462	0.498	0.491	0.433	0.427

Notes: Errors are heteroskedasticity robust. Controls not reported in the regression are: order of inflation and unemployment in the conjoint section, race, marital status, all other news sources not reported in the table. Omitted categories are: male (for gender), 18-29 years old (for age), Democrat (for political affiliation), no college (for education), income below 40k (for income), employed (for employment status). The sample means are calculated only on the sample of respondents that did not see the video. * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$.

TABLE A20: POLICY VIEWS: OTHER POLICIES

	Policies to combat inflation:					
	Tax high income to fund low income transfers	Increase corporate taxes	Price controls on essentials	Wage controls	Limit imports	Increase antitrust
	(1)	(2)	(3)	(4)	(5)	(6)
Female	-0.056***	-0.006	0.030	-0.003	-0.031	-0.120***
	(0.021)	(0.021)	(0.022)	(0.019)	(0.021)	(0.022)
30-49 years old	0.050	0.101***	0.032	0.014	0.054*	0.042
	(0.030)	(0.030)	(0.031)	(0.027)	(0.029)	(0.030)
50-69 years old	0.011	0.060*	0.021	-0.056*	0.131***	0.082**
	(0.034)	(0.034)	(0.035)	(0.030)	(0.034)	(0.034)
Independent	-0.174***	-0.143***	-0.108***	-0.084***	-0.008	-0.146***
	(0.024)	(0.023)	(0.025)	(0.022)	(0.024)	(0.025)
Republican	-0.224***	-0.166***	-0.114***	-0.021	0.123***	-0.134***
	(0.027)	(0.027)	(0.028)	(0.025)	(0.028)	(0.028)
College Degree	-0.011	0.026	-0.016	0.035	0.022	0.078***
	(0.024)	(0.024)	(0.025)	(0.022)	(0.025)	(0.026)
Studied economics	-0.038	-0.051*	-0.080***	-0.046*	0.002	0.047*
	(0.026)	(0.026)	(0.027)	(0.024)	(0.027)	(0.027)
Income between 40k and 125k	0.030	0.050**	-0.018	-0.036	0.021	0.086***
	(0.027)	(0.025)	(0.026)	(0.023)	(0.026)	(0.026)
Income >125k	-0.027	0.000	-0.058*	-0.060**	-0.012	0.080**
	(0.034)	(0.032)	(0.034)	(0.028)	(0.033)	(0.034)
Has children	0.014	0.014	0.017	-0.027	0.027	-0.044*
	(0.025)	(0.024)	(0.025)	(0.022)	(0.024)	(0.025)
Unemployed	0.051	0.072**	0.029	0.047	-0.004	-0.004
	(0.037)	(0.034)	(0.036)	(0.032)	(0.035)	(0.037)
Out of labor force	0.050*	0.014	0.007	0.040*	0.053**	-0.021
	(0.027)	(0.026)	(0.027)	(0.023)	(0.026)	(0.027)
Video information treatment	0.004	-0.025	-0.013	0.005	0.013	-0.005
	(0.020)	(0.020)	(0.020)	(0.018)	(0.020)	(0.020)
Exact values treatment	-0.005	-0.010	-0.014	0.048***	0.007	0.003
	(0.020)	(0.020)	(0.020)	(0.018)	(0.020)	(0.020)
Policy first	-0.009	-0.002	-0.016	-0.022	-0.007	-0.013
	(0.024)	(0.023)	(0.024)	(0.021)	(0.023)	(0.024)
Unemployment first in conjoint	0.019	0.010	-0.004	0.032*	0.031	0.015
	(0.020)	(0.020)	(0.020)	(0.018)	(0.020)	(0.020)
CNN	0.055**	0.033	-0.005	0.042*	-0.003	0.015
	(0.026)	(0.024)	(0.026)	(0.024)	(0.025)	(0.026)
Fox News	-0.115***	-0.109***	-0.053**	0.055**	0.075***	-0.066***
	(0.024)	(0.024)	(0.024)	(0.022)	(0.024)	(0.024)
Social media	0.021	0.023	0.036	0.038*	0.041*	0.055**
	(0.024)	(0.023)	(0.025)	(0.020)	(0.024)	(0.025)
NPR	0.076**	0.075***	-0.030	-0.034	-0.021	0.052*
	(0.030)	(0.028)	(0.031)	(0.028)	(0.030)	(0.031)
NYT	0.045	-0.007	0.011	0.023	-0.011	0.022
	(0.030)	(0.029)	(0.031)	(0.027)	(0.030)	(0.031)
WSJ	-0.049	0.008	-0.026	0.038	0.027	-0.035
	(0.031)	(0.030)	(0.032)	(0.029)	(0.030)	(0.031)
Observations	2246	2245	2246	2245	2246	2246
Adj. R^2	0.085	0.079	0.032	0.075	0.048	0.093
$\mathbb{E}$(Dependent variable)	0.551	0.648	0.617	0.252	0.353	0.481
Mean income <40k	0.547	0.630	0.650	0.241	0.318	0.361
Mean income >125k	0.553	0.657	0.549	0.271	0.373	0.574
Mean democrat	0.689	0.752	0.672	0.300	0.319	0.578
Mean republican	0.436	0.555	0.591	0.264	0.461	0.458
Mean 18-29 years old	0.482	0.560	0.576	0.249	0.237	0.366
Mean 30-49 years old	0.620	0.689	0.636	0.309	0.339	0.524
Mean 50-69 years old	0.520	0.658	0.622	0.196	0.435	0.505
Dependent variable std. dev.	0.498	0.478	0.486	0.434	0.478	0.500

Notes: Errors are heteroskedasticity robust. Controls not reported in the regression are: order of inflation and unemployment in the conjoint section, race, marital status, all other news sources not reported in the table. Omitted categories are: male (for gender), 18-29 years old (for age), Democrat (for political affiliation), no college (for education), income below 40k (for income), employed (for employment status). The sample means are calculated only on the sample of respondents that did not see the video. * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$.

TABLE A21: POLICY VIEWS: REDISTRIBUTIVE POLICIES

	Policies to combat redistributive impact of inflation:				
	Increase minimum wage	Increase vouchers for low income	Increase vouchers for mid income	Increase food stamps	Increase low income transfers
	(1)	(2)	(3)	(4)	(5)
Female	0.065***	0.004	0.064***	-0.014	-0.001
	(0.020)	(0.021)	(0.022)	(0.021)	(0.021)
30-49 years old	0.035	0.019	0.066**	0.023	0.038
	(0.029)	(0.029)	(0.031)	(0.029)	(0.031)
50-69 years old	-0.068**	-0.055	-0.041	-0.027	-0.044
	(0.033)	(0.034)	(0.035)	(0.033)	(0.035)
Independent	-0.198***	-0.147***	-0.108***	-0.165***	-0.174***
	(0.023)	(0.024)	(0.025)	(0.023)	(0.025)
Republican	-0.232***	-0.179***	-0.121***	-0.203***	-0.215***
	(0.026)	(0.026)	(0.028)	(0.026)	(0.027)
College Degree	-0.030	-0.031	-0.061**	0.002	-0.053**
	(0.024)	(0.024)	(0.025)	(0.024)	(0.024)
Studied economics	-0.032	-0.014	-0.013	-0.043*	-0.017
	(0.026)	(0.026)	(0.027)	(0.026)	(0.026)
Income between 40k and 125k	-0.067***	-0.087***	-0.039	-0.099***	-0.100***
	(0.025)	(0.025)	(0.027)	(0.025)	(0.027)
Income >125k	-0.065**	-0.121***	-0.108***	-0.185***	-0.176***
	(0.032)	(0.032)	(0.034)	(0.032)	(0.033)
Has children	0.031	0.040*	0.036	0.091***	0.072***
	(0.024)	(0.024)	(0.025)	(0.024)	(0.025)
Unemployed	0.087***	0.118***	0.060	0.096***	0.030
	(0.033)	(0.034)	(0.038)	(0.034)	(0.037)
Out of labor force	-0.014	0.019	-0.057**	0.002	-0.010
	(0.026)	(0.027)	(0.027)	(0.026)	(0.027)
Video information treatment	-0.035*	-0.031	-0.055***	-0.042**	-0.028
	(0.019)	(0.019)	(0.020)	(0.019)	(0.020)
Exact values treatment	-0.003	0.019	-0.003	0.003	0.004
	(0.019)	(0.019)	(0.021)	(0.019)	(0.020)
Policy first	0.039*	-0.060**	-0.022	-0.017	-0.010
	(0.023)	(0.023)	(0.024)	(0.023)	(0.024)
Unemployment first in conjoint	0.006	-0.022	0.002	-0.028	-0.011
	(0.019)	(0.019)	(0.020)	(0.019)	(0.020)
CNN	0.045*	0.065***	0.077***	0.050**	0.063**
	(0.024)	(0.025)	(0.026)	(0.025)	(0.026)
Fox News	-0.087***	-0.053**	-0.021	-0.073***	-0.043*
	(0.023)	(0.023)	(0.024)	(0.023)	(0.024)
Social media	0.048**	0.038	0.055**	0.036	0.016
	(0.023)	(0.024)	(0.025)	(0.024)	(0.024)
NPR	0.078***	-0.010	0.021	0.032	0.003
	(0.027)	(0.030)	(0.031)	(0.029)	(0.031)
NYT	0.062**	0.038	0.028	0.077***	0.039
	(0.029)	(0.030)	(0.031)	(0.029)	(0.031)
WSJ	0.000	0.027	-0.033	0.002	0.030
	(0.028)	(0.030)	(0.032)	(0.029)	(0.031)
Observations	2246	2246	2246	2246	2246
Adj. R^2	0.124	0.081	0.062	0.095	0.096
$\mathbb{E}$(Dependent variable)	0.653	0.661	0.570	0.671	0.564
Mean income <4ok	0.699	0.745	0.619	0.745	0.645
Mean income >125k	0.616	0.599	0.500	0.599	0.500
Mean democrat	0.803	0.773	0.653	0.799	0.705
Mean republican	0.503	0.542	0.509	0.536	0.448
Mean 18-29 years old	0.677	0.681	0.591	0.689	0.572
Mean 30-49 years old	0.715	0.712	0.640	0.712	0.629
Mean 50-69 years old	0.577	0.599	0.486	0.619	0.493
Dependent variable std. dev.	0.476	0.473	0.495	0.470	0.496

Notes: Errors are heteroskedasticity robust. Controls not reported in the regression are: order of inflation and unemployment in the conjoint section, race, marital status, all other news sources not reported in the table. Omitted categories are: male (for gender), 18-29 years old (for age), Democrat (for political affiliation), no college (for education), income below 40k (for income), employed (for employment status). The sample means are calculated only on the sample of respondents that did not see the video. * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$.

TABLE A22: MULTIPLE HYPOTHESIS TESTING FOR LINK BETWEEN MONETARY AND FISCAL POLICY VIEWS AND BELIEFS ABOUT INFLATION

	Monetary policy:				Ways to reduce debt:		
	Increase interest rate	Reduce interest rates	Reduce money supply	Announce interest rate increase in 6 months	Tax high income	Tax high/mid income	Reduce spending on social programs
	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Perceived causes of inflation							
Changes in the labor market (e.g., wage-price spirals, labor shortages)	0.940	1.000	0.994	1.000	0.996	1.000	1.000
Actions by the Federal Reserve (e.g, decrease interest rate, increase money supply)	1.000	1.000	1.000	1.000	0.655	0.696	0.355
Politicians and political interests	1.000	1.000	1.000	0.965	0.999	1.000	0.111
Households spending more (e.g., because of optimism, because of increases in inflation expectations)	0.997	1.000	1.000	0.998	0.688	1.000	0.024
Actions by firms and businesses (e.g., decrease in competition, increase prices to increase profits)	1.000	1.000	1.000	1.000	0.001	1.000	0.001
Increases in costs of production (e.g., supply chain disruptions, increases in oil prices)	1.000	0.999	0.965	0.963	0.104	1.000	0.001
Perceived consequences of inflation							
Cognitive costs (uncertainty & complex budgeting)	1.000	0.001	0.460	0.473	0.001	1.000	1.000
Political & social costs (trust in govt, social cohesion, inequality, lower natl. prestige)	0.187	0.999	1.000	0.001	0.001	0.969	1.000
Efficiency costs (dollar value, GDP growth, resource misalloc., menu & shoeleather costs, firms daily decisions)	1.000	0.168	1.000	0.031	1.000	0.874	0.941
Perceived distributional impacts of inflation							
Low income lost more than high income	1.000	0.913	0.997	0.688	0.001	1.000	0.003
Knowledge of inflation							
Number of correct answers to conditional correlations	0.105	0.960	0.001	0.655	0.991	0.867	0.939
Perceived trade-offs							
Inflation perceived as by-product of a good economy (e.g., more often in a boom)	0.001	0.719	0.003	0.023	0.001	0.244	1.000
Policy needs to reduce economic activity to fight inflation (e.g., reduce growth)	1.000	0.031	0.001	0.001	0.712	0.001	0.001
Asset exposure							
Above median net nominal position exposure	0.016	0.689	1.000	1.000	1.000	0.473	0.999

Notes: Each cell reports the Romano-Wolf adjusted p-value obtained with the `rwolf2` package from Clarke (2021) for the estimates of Table 2. 1000 bootstrap iterations, seed 15112001.

TABLE A23: MULTIPLE HYPOTHESIS TESTING FOR LINK BETWEEN OTHER POLICY VIEWS AND BELIEFS ABOUT INFLATION

	Policies to combat inflation:					
	Tax high income to fund low income transfers	Increase corporate taxes	Price controls on essentials	Wage controls	Limit imports	Increase antitrust
	(1)	(2)	(3)	(4)	(5)	(6)
Perceived causes of inflation						
Changes in the labor market (e.g., wage-price spirals, labor shortages)	0.304	1.000	1.000	0.999	1.000	0.987
Actions by the Federal Reserve (e.g, decrease interest rate, increase money supply)	0.895	0.817	1.000	0.393	0.643	0.005
Politicians and political interests	1.000	0.970	0.895	1.000	1.000	0.987
Households spending more (e.g., because of optimism, because of increases in inflation expectations)	0.164	1.000	1.000	1.000	1.000	1.000
Actions by firms and businesses (e.g., decrease in competition, increase prices to increase profits)	0.001	0.001	0.033	1.000	0.048	0.001
Increases in costs of production (e.g., supply chain disruptions, increases in oil prices)	0.099	0.503	0.574	1.000	0.154	0.013
Perceived consequences of inflation						
Cognitive costs (uncertainty & complex budgeting)	0.001	0.001	0.001	1.000	1.000	0.570
Political & social costs (trust in govt, social cohesion, inequality, lower natl. prestige)	0.001	0.001	0.942	0.895	1.000	0.001
Efficiency costs (dollar value, GDP growth, resource misalloc., menu & shoeleather costs, firms daily decisions)	1.000	1.000	0.999	1.000	0.573	1.000
Perceived distributional impacts of inflation						
Low income lost more than high income	0.001	0.001	0.001	1.000	0.991	0.176
Knowledge of inflation						
Number of correct answers to conditional correlations	0.998	1.000	0.133	0.990	1.000	0.987
Perceived trade-offs						
Inflation perceived as by-product of a good economy (e.g., more often in a boom)	0.004	0.074	1.000	0.541	1.000	0.074
Policy needs to reduce economic activity to fight inflation (e.g., reduce growth)	0.001	0.005	0.001	0.001	0.001	0.001
Asset exposure						
Above median net nominal position exposure	0.739	0.795	0.895	0.380	0.987	1.000

Notes: Each cell reports the Romano-Wolf adjusted p-value obtained with the `rwolf2` package from Clarke (2021) for the estimates of Table 3. 1000 bootstrap iterations, seed 15112001.

TABLE A24: MULTIPLE HYPOTHESIS TESTING FOR LINK BETWEEN REDISTRIBUTIVE POLICY VIEWS AND BELIEFS ABOUT INFLATION

	Policies to combat redistributive impact of inflation:				
	Increase minimum wage	Increase vouchers for low income	Increase vouchers for mid income	Increase food stamps	Increase low income transfers
	(1)	(2)	(3)	(4)	(5)
Perceived causes of inflation					
Changes in the labor market (e.g., wage-price spirals, labor shortages)	0.999	0.941	0.881	0.735	0.959
Actions by the Federal Reserve (e.g, decrease interest rate, increase money supply)	0.950	0.660	0.961	0.787	0.946
Politicians and political interests	0.999	0.904	0.219	0.376	0.689
Households spending more (e.g., because of optimism, because of increases in inflation expectations)	0.862	0.564	0.677	0.009	0.679
Actions by firms and businesses (e.g., decrease in competition, increase prices to increase profits)	0.013	0.146	0.044	0.045	0.006
Increases in costs of production (e.g., supply chain disruptions, increases in oil prices)	0.679	0.006	0.027	0.009	0.081
Perceived consequences of inflation					
Cognitive costs (uncertainty & complex budgeting)	0.009	0.001	0.013	0.001	0.001
Political & social costs (trust in govt, social cohesion, inequality, lower natl. prestige)	0.182	0.531	0.888	0.120	0.999
Efficiency costs (dollar value, GDP growth, resource misalloc., menu & shoeleather costs, firms daily decisions)	0.905	0.943	0.999	0.999	0.999
Perceived distributional impacts of inflation					
Low income lost more than high income	0.005	0.001	0.015	0.001	0.001
Knowledge of inflation					
Number of correct answers to conditional correlations	0.002	0.484	0.003	0.905	0.961
Perceived trade-offs					
Inflation perceived as by-product of a good economy (e.g., more often in a boom)	0.001	0.006	0.735	0.001	0.001
Policy needs to reduce economic activity to fight inflation (e.g., reduce growth)	0.001	0.001	0.001	0.002	0.001
Asset exposure					
Above median net nominal position exposure	0.735	0.015	0.483	0.015	0.001

Notes: Each cell reports the Romano-Wolf adjusted p-value obtained with the `rwolf2` package from Clarke (2021) for the estimates of Table 4. 1000 bootstrap iterations, seed 15112001.

A.3 Full Questionnaire Survey: link here

A.3.1 Introduction, background questions, and screening

A.3.1.1 Consent

1. This is a survey for academic research purposes. It will take approximately **25 minutes to complete**.

   The purpose of this non-partisan survey is to understand how you think about economic policies in the US. To this end, we will ask you questions about your household's circumstances and about some hypothetical policy scenarios.

   You will be **compensated** for this interview conditional **upon completing** the survey **and passing our survey quality checks**, which use sophisticated statistical control methods to detect incoherent and rushed responses. Responding without adequate effort may result in your response being flagged for low quality and you may not receive your payment. Please note that it is very important for the success of our research that you answer honestly and read the questions very carefully before answering.

   You should know the following: you may not be told everything or may be misled. As part of this research design, you may not be told or may be misled about the purpose or procedures of this research. However, the purpose or procedures of the research will be disclosed to you following your participation.

   Whether or not you participate is up to you. Your **participation** is completely **voluntary**. You can choose not to take part. You can agree to take part and later change your mind. Your decision will not be held against you. Your refusal to participate will not result in any consequences or any loss of benefits that you are otherwise entitled to receive. You can ask all the questions you want before you decide.

   If you have questions, concerns, or complaints, or think the research has hurt you, contact the research team at social.economics.research2020@gmail.com.

   All of the answers you provide will remain **anonymous** and be treated with absolute **confidentiality**. The data are only used for research purposes.

   Do you agree to participate to the survey?
   [No, I do not agree to participate; Yes, I agree to participate]

A.3.1.2 Pre-screening background questions

1. What is your **gender**?
   [Male; Female; Other (Please Specify)]

2. What is your **age**?
   [From 17 or younger to 66 or older]
   If age is less than 18 or more than 65 the respondent is excluded.

3. Do you currently live in the U.S.?
   [Yes; No]
   Non U.S. residents are excluded

4. Which **ZIP code** do you currently live in?
   [Text box]

5. How would you describe your **ethnicity/race**?
   [White; African American/Black; Hispanic/Latino; Asian/Asian American; Mixed race; Other (please specify)]

6. What was your **total household income** from all sources in **2023, before taxes and other deductions**?
   Total household income is defined as the sum of: wages, salary and tips, business / self-employment / farm income and loss, taxable interest and dividends, taxable social security benefits, alimony payments you receive, capital gains and losses, rental / schedule K1 income and losses, unemployment compensation, taxable amount from pensions and individual retirement arrangements, taxable state refunds, other income not exempted from the income tax.
   [15 non-overlapping brackets from $0-$9,999 to $200,000+]

7. We're interested in where you might have heard **news about the economy in the past week**. Have you seen or heard news about the economy on the **following outlets** in the past week?
   [Social media; CNN; MSNBC; Fox News; Network News; Local TV; NPR; AM talk radio station; The New York Times; The Wall Street Journal; Local Newspapers; Other (please specify)]

8. On average, would you say you **trust or distrust** these outlets you follow to **report accurate news** about the **economy**?
   [Completely trust; Somewhat trust; Neither trust nor distrust; Somewhat distrust; Completely distrust]

- Only outlets selected before

A.3.1.3 Attention Screen #1

1. *Captcha*

2. It is very important for us that you do not get distracted throughout the survey. This question is to check whether you are not getting distracted. To proceed, please select the definition of dog from the following options:
   [A yellow and black flying insect that makes honey and can sting you; A large, strong bird with a curved beak that eats meat and can see very well; A large wild animal of the cat family with yellowish-orange fur with black lines; A common animal with four legs, especially kept by people as a pet, or to hunt, or guard things; A very large sea mammal that breathes air through a hole at the top of his head]

A.3.2 Perceived and expected inflation and unemployment

We will ask you some questions about inflation later on. First, we need to define what the **inflation rate** actually is.

The inflation rate measures the percentage increase in prices over a given period of time. It represents **how much more expensive the basket of goods and services generally consumed by US households has become over a certain period**, most commonly a year.[A1]

For instance, an yearly inflation rate of 10% means that, on average, a basket of goods and services costing 100$ at the beginning of a year will cost 110$ at the end of the year.

If the inflation rate is **negative**, it is referred to as **deflation**. This means that goods and services become less expensive over time.

1. The next few questions are about inflation.[A2]

   Over the **last 12 months**, do you think that there was inflation or deflation? (Note: deflation is the opposite of inflation).
   [Inflation; Deflation (the opposite of inflation)]

[A1] Definition from https://www.imf.org/en/Publications/fandd/issues/Series/Back-to-Basics/Inflation

[A2] Verbatim from: https://www.newyorkfed.org/medialibrary/interactives/sce/sce/downloads/data/frbny-sce-survey-core-module-public-questionnaire.pdf

2. What was the rate of [inflation/deflation] over the **last 12 months**? Please give your best guess.
   Over the **last 12 months**, the rate of [inflation/deflation] was *[Text box] %*

3. Over the **next 12 months**, do you think that there will be inflation or deflation? (Note: deflation is the opposite of inflation).
   [Inflation; Deflation (the opposite of inflation)]

4. What do you expect the rate of [inflation/deflation] to be over the **next 12 months**? Please give your best guess.
   Over the **next 12 months**, I expect the rate of [inflation/deflation] to be *[Text box] %*

   We will also ask you some questions about the unemployment rate in the US.[A3] Although this is a widely talked about number, the unemployment rate is actually not an easy concept to understand. People often believe that the unemployment rate is simply the share of people not working. But that is not true!

   The unemployment rate represents the **percentage of the US labor force** (defined as the sum of the employed and the unemployed) **that is not working but looking for a job and available to work**.

   Importantly, **people who are NOT looking for a job or available to work, like students, retirees, or stay-at-home parents are NOT counted as "unemployed" and they do not enter official calculations of the unemployment rate.**

5. What do you think the **current unemployment rate** is in the US?
   The **current unemployment rate** in the US is *[Text Box] %*

6. What do you think the unemployment rate will be **12 months from now** in the US?
   12 months from now, the unemployment rate in the US will be *[Text Box] %*

A.3.3 Conjoint Experiment: Preferences for inflation and unemployment

In the next questions, we will present you with pairs of "scenarios" that are different in terms of inflation and unemployment. For each pair, please pick the one you would prefer to live in.

[A3] https://www.ecb.europa.eu/stats/ecb_surveys/consumer_exp_survey/results/html/ecb.ces_results_december_2023_labour_market_growth.en.html#_Current_unemployment_rate

For information, the current unemployment rate in the US is around 4%, while the current annual inflation rate is around 3%.

If you had to pick, which of the following scenarios would you prefer to live in for the next year in the US?
Scenario 1: Inflation is X1, Unemployment is Y1
Scenario 2: Inflation is X2, Unemployment is Y2
[Scenario 1; Scenario 2]

A.3.3.1 Attention Screen #2

1. This is a question to check whether you are reading the questions carefully. Please select both "slightly concerned" and "extremely concerned" to continue.
   [Not at all concerned; Slightly concerned; Moderately concerned; Very concerned; Extremely concerned]

A.3.4 Conditional correlations between inflation and unemployment

What do you think would happen to inflation and unemployment in the following scenarios?

1. **(Increase in interest rates)** An **increase in interest rates** by the Federal Reserve Bank would cause inflation to
   [Decrease a lot; Decrease; Stay the same; Increase; Increase a lot]
   and the unemployment rate to
   [Decrease a lot; Decrease; Stay the same; Increase; Increase a lot]

2. **(Increase government spending)** An **increase in government spending** to finance more income support for lower-income families would cause inflation to
   [Decrease a lot; Decrease; Stay the same; Increase; Increase a lot]
   and the unemployment rate to
   [Decrease a lot; Decrease; Stay the same; Increase; Increase a lot]

3. **(Increase in oil prices)** An **increase in oil prices** due to events in other countries such as wars or natural disasters, would cause inflation in the US to
   [Decrease a lot; Decrease; Stay the same; Increase; Increase a lot]
   and the unemployment rate in the US to
   [Decrease a lot; Decrease; Stay the same; Increase; Increase a lot]

4. **(Increase in productivity) Technological improvements** making the production process more efficient would cause inflation to
   [Decrease a lot; Decrease; Stay the same; Increase; Increase a lot]
   and the unemployment rate to
   [Decrease a lot; Decrease; Stay the same; Increase; Increase a lot]

5. **(Wage increases) An overall increase in wages** due to labor laws and bargaining by unions would cause inflation to
   [Decrease a lot; Decrease; Stay the same; Increase; Increase a lot]
   and the unemployment rate to
   [Decrease a lot; Decrease; Stay the same; Increase; Increase a lot]

A.3.5 Understanding of inflation

A.3.5.1 Causes of inflation

1. In your view, what are the main **causes** of **inflation**?
   [Text Box]

1. We will now list various events and economic phenomena. For each of them, please tell us whether or not you think that they are an **important cause of inflation**.
   [Not important at all; Only a little important; Very important; Extremely important]

   (a) **Government spending, debt, and taxation**, e.g., spending on social security, national defense, and healthcare, increases in government debt, or changes in the tax system

   (b) **Actions by the Federal Reserve**, such as printing money, changing interest rates, or making announcements about future inflation and rates

   (c) **Increases in the costs of production** due to e.g., increases in oil prices, energy prices, or to increases in the costs of inputs due to large-scale events in other countries, like wars or natural disasters, or to new laws and regulations

   (d) **Changes in the labor market** such as increases in unions' bargaining power or wage increases

   (e) **Politicians and political interests**, e.g., politicians catering to special interest and lobby groups

   (f) **Households spending more** due to optimism about the economy, impatience, or expectations about future price increases

(g) **Actions by firms and businesses**

2. Please select from the previous list the **two most important causes of inflation**. Write 1 in the box corresponding to the most important cause, and 2 in the box corresponding to the second most important cause of inflation.

[Conditional on selecting "Government policies"]. You said that government spending, debt, and taxation are an important cause of inflation. Below, we list some more detailed causes in that category. For each of them, please tell us whether or not you think it is an important cause of inflation.

1. **(Decreases in income taxes) Income tax cuts**
   [Not important at all; Only a little important; Very important; Extremely important]

2. **(Increase in govt debt) Increases in government debt** to provide aid and financial assistance to a foreign country during a war or natural disaster
   [Not important at all; Only a little important; Very important; Extremely important]

3. **(Increase in spending for infrastructure and national defense) Increases in government spending**, financed by government debt, to build infrastructure and for national defense
   [Not important at all; Only a little important; Very important; Extremely important]

4. Government spending, financed by government debt, to help households during difficult times, such as the stimulus checks ("Economic impact payments") during COVID-19.
   [Not important at all; Only a little important; Very important; Extremely important]

5. **(Increase in social spending for healthcare and social security) Increases in government spending on social programs, such as Medicare and social security, financed by government debt**
   [Not important at all; Only a little important; Very important; Extremely important]

6. Among the following, please select the most important cause of inflation

   [Income tax cuts; Increase government debt for foreign assistance; Increase spending for infrastructure and defense; Increase spending to assist householdsduring hard times; Increase spending in social programs]

[Conditional on selecting "Federal reserve policies"]. You said that actions by the Federal Reserve are an important cause of inflation. Below, we list some more detailed causes in that

category. For each of them, please tell us whether or not you think it is an important cause of inflation.

1. **(Decreases in interest rates) Decreases in interest rates**
   [Not important at all; Only a little important; Very important; Extremely important]

2. **(Increases in interest rates) Increases in interest rates**
   [Not important at all; Only a little important; Very important; Extremely important]

3. **(Increase in money supply) Increases in the money** the Federal Reserve Bank provides to the economy.
   [Not important at all; Only a little important; Very important; Extremely important]

4. **(Wrong monetary policy)** The **Federal Reserve Bank not taking appropriate action** when it should
   [Not important at all; Only a little important; Very important; Extremely important]

5. **(Unclear announcements about future actions)** The **Federal Reserve Bank making unclear announcements** about its future intentions
   [Not important at all; Only a little important; Very important; Extremely important]

6. Among the following, please select the most important cause of inflation
   [Decreases in interest rates; Increases in interest rates; Increases in money printed; The Federal Reserve not taking appropriate actions when it should; The Federal Reserve making unclear announcements]

[Conditional on selecting "Increases in the costs of production", nothing asked, cost-push shocks have their own category]. You said that increases in the costs of production are an important cause of inflation. Below, we list some more detailed causes in that category. For each of them, please tell us whether or not you think it is an important cause of inflation.

1. **(Increases in oil prices)** Increases in **oil prices**
   [Not important at all; Only a little important; Very important; Extremely important]

2. **(Increases in energy prices)** Increases in **energy prices**
   [Not important at all; Only a little important; Very important; Extremely important]

3. **(Large-scale events in other countries raising the cost of inputs like wars or natural disasters)** Wars, natural disasters, or other large-scale disruptions in other countries
   [Not important at all; Only a little important; Very important; Extremely important]

4. **(Supply chain disruptions)** Disruptions in international supply chains
   [Not important at all; Only a little important; Very important; Extremely important]

5. Increases in costs because of the pandemic.
   [Not important at all; Only a little important; Very important; Extremely important]

6. Among the following, please select the most important cause of inflation
   [Increases in oil prices; Increases in energy prices; Large-scale disruptions in other countries; Disruptions in international supply-chains; Increases in costs because of the pandemic]

[Conditional on selecting "Labor market dynamics"]. You said that changes in the labor market are an important cause of inflation. We will now list a number of labor market dynamics. Below, we list some more detailed causes in that category. For each of them, please tell us whether or not you think it is an important cause of inflation.

1. **(Increases in wages)** An overall **increase in wages due to more labor rights or unionization**
   [Not important at all; Only a little important; Very important; Extremely important]

2. An increase in wages because of a labor shortage.
   [Not important at all; Only a little important; Very important; Extremely important]

3. **(Wage-price spirals)** Workers asking for pay increases in light of the rise in cost of living.
   [Not important at all; Only a little important; Very important; Extremely important]

4. Among the following, please select the most important cause of inflation
   [Wage increases due to labor rights or unionization; Wage increases due to labor shortages; Workers asking for pay increases in light of the rise in the cost of living]

[Conditional on selecting "Households higher willingness to spend in the present"]. You said that households spending more is an important cause of inflation. Below, we list some more detailed causes in that category. For each of them, please tell us whether or not you think it is an important cause of inflation.

1. **(Expectations by HHs) Increases in households spending** in the present due to **expected price increases in the future**
   [Not important at all; Only a little important; Very important; Extremely important]

2. **(Optimism) Increases in households spending** in the present due to **optimism about the economy or their economic status**
   [Not important at all; Only a little important; Very important; Extremely important]

3. Among the following, please select the most important cause of inflation
   [Increase household spending due to expecting higher prices; Increase household spending due to optimism]

[Conditional on selecting "Firms' business decisions and industrial dynamics"]. You said that are an important cause of inflation. Below, we list some more detailed causes in that category. For each of them, please tell us whether or not you think it is an important cause of inflation.

1. **(Expectations by firms) Firms increasing their prices today** because they anticipate more inflation in the future.
   [Not important at all; Only a little important; Very important; Extremely important]

2. **(Greediness)** Firms and businesses trying to increase their profits by increasing prices even though their costs have not increased.
   [Not important at all; Only a little important; Very important; Extremely important]

3. **(Decreases in competition between firms) Lack of competition** and the rise of big firms that have no competitors.
   [Not important at all; Only a little important; Very important; Extremely important]

4. Among the following, please select the most important cause of inflation
   [Firms increasing prices due to expecting higher prices; firms increasing prices to increase profits; Lack of competition]

A.3.5.2 Distributional impacts of inflation

1. Which people or groups would you say are **most negatively affected** by inflation?
   [Text Box]

2. Which people or groups would you say **benefit most** from inflation?
   [Text Box]

For the next questions, suppose **prices unexpectedly increased by 10% over the next year**, on average.

3. Would the following **income groups** lose or gain from inflation?
   [Lose a lot; Lose somewhat; Neither gain nor lose; Gain somewhat; Gain a lot]

   - High-income households
   - Middle-income households
   - Low-income households

4. Would the following **age groups** lose or gain from inflation?
   [Lose a lot; Lose somewhat; Neither gain nor lose; Gain somewhat; Gain a lot]

   - People between 18 and 30 years old
   - People between 31 and 65 years old
   - People more than 65 years old

5. Would the following **occupation groups** lose or gain from inflation?
   [Lose a lot; Lose somewhat; Neither gain nor lose; Gain somewhat; Gain a lot]

   - The unemployed
   - The employed
   - Retirees

6. Would the following **groups** lose or gain from inflation?
   [Lose a lot; Lose somewhat; Neither gain nor lose; Gain somewhat; Gain a lot]

   - People whose savings are mainly in the form of cash (in their checking or savings accounts)
   - People whose savings are mainly invested in financial assets (such as stocks or bonds)
   - People without any savings

7. Would the following **groups** lose or gain from inflation?
   [Lose a lot; Lose somewhat; Neither gain nor lose; Gain somewhat; Gain a lot]

   - People with credit card debt
   - People with fixed-rate mortgages, that is, home loans that have a fixed interest rate for the entire term of the loan
   - People with adjustable-rate mortgages, that is, home loans with an interest rate that can fluctuate periodically

- People with low levels of debt

8. Would the following **types of firms** lose or gain from inflation?
   [Lose a lot; Lose somewhat; Neither gain nor lose; Gain somewhat; Gain a lot]

   - Small businesses
   - Large corporations

A.3.5.3 Consequences of inflation on the economy

1. If prices increased by 10% over the next year, what would the major consequences for the **US economy** be?
   [Text Box]

   For the next few questions, we ask you to keep thinking about the **consequences of inflation on the US economy**.

   Suppose that the inflation rate over the next 12 months is 10%.

2. **(Difficulty in taking economic decisions - HHs)** Does inflation make it simpler or more complicated for households to take **daily economic decisions** such as spending and saving?
   [Much more complicated; More complicated; Neither simpler nor more complicated; Simpler; Much simpler]

3. **(Households uncertainty)** How does inflation affect the uncertainty households face when making decisions? [Significantly increases uncertainty, Somewhat increases uncertainty, Neither increases nor decreases uncertainty, Somewhat reduces uncertainty, Significantly reduces uncertainty]

4. **(Shoeleather costs)** How much of an inconvenience would it be for most US households to adjust their savings and investment plans to have more cash available for rising expenses?
   [Almost no inconvenience; A small inconvenience; A moderate inconvenience; A very big inconvenience]

5. **(Price setting/menu costs)** Does inflation make it easier or more difficult for firms to **set** their **prices**?
   [Much more difficult; More difficult; Neither easier nor more difficult; Easier; Much easier]

6. **(Difficulty in taking economic decisions - firms)** Does inflation make it easier or more difficult for firms to take **daily business decisions** such as those related to their products,

finances, and personnel?
[Much more difficult; More difficult; Neither easier nor more difficult; Easier; Much easier]

7. **(Resource misallocation)** During inflation, businesses selling similar products might face challenges in adjusting their prices frequently. How do these price differences affect the economy's use of resources?

   [Greatly improve use; Slightly improve use; Neither improve nor worsen use; Slightly worsen use; Greatly worsen use]

   Suppose again that the inflation rate over the next 12 months will be 10%.

8. **(Economic growth)** Under this level of inflation, would the US economy **grow** more quickly, more slowly, or at the same rate, compared to a situation with no inflation?
   [Much more slowly; More slowly; At same rate; More quickly; Much more quickly]

9. **(Value of the dollar)** Would **value of the dollar** increase, remain the same, or decrease relative to the currencies of other countries where the inflation rate is lower?
   [Decrease by a lot; Decrease somewhat; Remain the same; Increase somewhat; Increase by a lot]

10. **(National prestige)** Would the **national prestige** of the US increase, remain the same, or decrease relative to countries with a lower inflation rate?
    [Decrease by a lot; Decrease somewhat; Remain the same; Increase somewhat; Increase by a lot]

11. **(Inequality)** Is inflation associated with a higher, lower, or the same level of **inequality** in the US?
    [Much lower; Lower; The same; Higher; Much higher]

12. Does inflation increase or decrease **social cohesion**?
    [Increases by a lot; Increases somewhat; Neither increase nor decrease; Decreases somewhat; Decreases by a lot]

13. Does high inflation increase or decrease people's **trust** in the Federal Government?
    [Increases by a lot; Increases somewhat; Neither increase nor decrease; Decreases somewhat; Decreases by a lot]

14. Among the following, please select the most important consequence of inflation
    [Only options selected above]

A.3.6 Information on the trade-offs between inflation and unemployment

Script of the slide-show:

Inflation is the rate of increase in prices over a given period of time, meaning you have to spend more money to buy the same things.

Why does inflation happen? Imagine prices like a game of tug-of-war or a balancing act between the money we all have to spend and the amount of things available to buy. If people have more money and start buying a lot, but there's not enough stuff for everyone, prices will go up. This increase in prices can happen because of government policies, actions by the Federal Reserve Bank, or when the stock market is doing really well, for instance.

On the flip side, if making products becomes pricier due to higher material costs or wages, companies may pass these costs to you.

Here's the tricky part: reducing inflation can be like walking a tightrope. Cutting down on how much money is floating around might cool off inflation, but it's not without its pains, affecting jobs and economic vibrancy.

Importantly, policies that are, in principle, good, such as those that reduce unemployment and increase economic activity might, paradoxically, increase inflation too.

Take reducing unemployment: a great goal! But this might lead to more competition for workers, and higher wages, which in turn will tend to increase prices and inflation. This is why economists often talk about the "inflation-unemployment trade-off," this balancing act between keeping jobs plentiful but not increasing inflation.

Tax cuts are another example of a policy that can put more cash in your pocket and that can stimulate economic activity. But if lots of people start spending more, demand outstrips supply, and that might also result in inflation.

In a nutshell, while fighting inflation is critically important, the trade-offs require careful navigation to avoid swapping one problem for another.

A.3.7 Policy Views

A.3.7.1 Tradeoffs (First stage)

1. To what extent do you agree with the statement that inflation is an unfortunate side effect of positive economic developments, like higher employment and increased economic activity? *[Strongly disagree; Disagree; Neither agree nor disagree; Agree; Strongly agree]*

2. **(Spending)** How **necessary** do you think it is to **reduce household spending** in the US in

order **to decrease inflation**?
[Not necessary at all; Somewhat necessary; Very necessary; Extremely necessary]

3. **(GDP growth)** How **necessary** do you think it is to **induce a reduction in US GDP growth** in order **to decrease inflation**?
[Not necessary at all; Somewhat necessary; Very necessary; Extremely necessary]

4. **(Govt debt)** How **necessary** do you think it is to **induce a reduction in US government debt** in order **to decrease inflation**?
[Not necessary at all; Somewhat necessary; Very necessary; Extremely necessary]

5. **(Unemployment)** How **necessary** do you think it is to **induce an increase in the US unemployment rate** in order **to decrease inflation**?
[Not necessary at all; Somewhat necessary; Very necessary; Extremely necessary]

6. **(Side effects of expansionary policies)** How do you think **policies designed to reduce unemployment** typically affect inflation?
[Significantly increase; Increase; Neither increase nor decrease; Decrease; Significantly decrease]

7. Do you think that inflation is **most often** a sign of a good, a bad economy, or neither?
[Most often a sign of a bad economy; Neither a sign of a good nor a bad economy; Most often a sign of a good economy]

8. In general, do you think **inflation** occurs **more frequently** during times of economic growth (booms) or economic downturns (recessions)?
[Mostly in booms; Slightly more in booms; Equally in booms and recessions; Slightly more in recessions; Mostly in recessions]

A.3.7.2 Priority of inflation

- How important or unimportant is price stability as an objective of US economic policy?
[Not important at all; Slightly important; Moderately important; Very important]

- Now, we are going to list some widely debated **economic policy issues** in the US. Could you please **rank** them depending on how much you think they should be a **national priority?**

  – Price stability

  – Low unemployment

  - High economic growth
  - Investments in national defense
  - Stability of the financial system

- Now, we are going to list some widely debated **civic** and **social policy issues** in the US. Could you please **rank** them depending on how much you think they should be a **national priority?**
  - Inflation
  - Gun rights
  - Access to abortion
  - Civil rights
  - Access to education
  - Affordable healthcare

A.3.7.3 Tools to combat inflation

1. In your view, what is the single most important thing that the government or the Fed should do to reduce inflation?
   [Text Box]

We now want to ask you whether you would oppose or support the following policies to **fight inflation.**

Do you support or oppose the following policies **as tools to combat inflation**?

1. **(Federal Reserve Bank increasing interest rates today)** An **increase in interest rates** by the Federal Reserve Bank.
   [Strongly oppose; Oppose; Neither support nor oppose; Support; Strongly support]

2. **(Federal Reserve Bank decreasing interest rates today)** A **decrease in interest rates** by the Federal Reserve Bank.
   [Strongly oppose; Oppose; Neither support nor oppose; Support; Strongly support]

3. **(Forward guidance)** The Federal Reserve's practice of publicly sharing its future plans for interest rates to influence economic expectations and behaviors today?
   [Strongly support; Support; Neutral; Oppose; Strongly oppose]

4. **(Federal Reserve Bank reducing the amount of money circulating in the economy)** A **reduction of the money** that the Federal Reserve Bank provides to banks in the economy, which in turn would reduce access of firms and households to loans and credit.
   [Strongly oppose; Oppose; Neither oppose nor support; Support; Strongly support]

5. **(Increase in income taxes I)** An **increase in taxes on high-income taxpayers** used to reduce government debt.
   [Strongly oppose; Oppose; Neither oppose nor support; Support; Strongly support]

6. **(Increase in income taxes II)** A **increase in taxes on the middle class and high-income taxpayers** used to reduce government debt.
   [Strongly oppose; Oppose; Neither oppose nor support; Support; Strongly support]

7. **(Government spending cut I into less debt) A reduction in spending on social programs**, such as Medicare or the Child Tax Credit, to reduce government debt.
   [Strongly oppose; Oppose; Neither oppose nor support; Support; Strongly support]

8. **(Government spending cut III into reallocation) An increase in taxes on top earners** to fund additional low-income transfers.
   [Strongly oppose; Oppose; Neither oppose nor support; Support; Strongly support]

9. **(Increase in corporate taxes) An increase in corporate taxes**.
   [Strongly oppose; Oppose; Neither oppose nor support; Support; Strongly support]

10. **(Anti-trust)** An tightening of anti-trust regulation to ensure more competition between firms.
    [Strongly oppose; Oppose; Neither oppose nor support; Support; Strongly support]

11. **(Price controls)** A policy **freezing the prices of gas or basic food items**.
    [Strongly oppose; Oppose; Neither oppose nor support; Support; Strongly support]

12. **(Wage controls)** Regulations to **cap the wage growth** of workers in the US.
    [Strongly oppose; Oppose; Neither oppose nor support; Support; Strongly support]

13. **(Limit imports from other states (more generally, use trade policy to relocate production in the US))** A policy **restricting imports from other countries**.
    [Strongly oppose; Oppose; Neither oppose nor support; Support; Strongly support]

A.3.7.4 Tools to combat the redistributive effects of inflation

1. Do you support or oppose the following policies to help the **most vulnerable population groups** after a **rise in the cost of living**?

[Strongly oppose; Oppose somewhat; Neither oppose nor support; Support somewhat; Strongly support]

- More cash transfers to low-income families
- Expanding the food stamps program to help more families with food expenses
- Providing vouchers for fuel, gas, and electricity to low-income families
- Providing vouchers for fuel, gas, and electricity to middle-income families
- Increasing the minimum wage

A.3.8 Economic Information about the Household

1. Do you and your household own any motor vehicle?
   [Yes; No]

2. With which frequency do you typically use any of the motor vehicles you own?
   [Daily; On a weekly basis, but not all days; On a monthly basis, but not all weeks; Less than once per month]

3. Do you and your household own or rent your primary residence?
   [Own; Rent; I have no primary residence]

4. Could you provide an estimate of the monthly rent (excluding utilities) that you and your household pay for your primary residence?
   [$0-$399; $400-$499; $500-$649; $650-$799; $800-$949; $950-$1,099; $1,100-$1,299; $1,300- $1,499; $1,500-$2,499; $2,500 or more]

5. Could you provide an estimate of your primary residence value (if it was sold today)?
   $0-$49,999; $50,000-$99,999; $100,000-$149,999; $150,000-$199,999; $200,000-$249,999; $250,000- $299,999; $300,000-$349,999; $350,000-$449,999; $450,000-$649,999; $650,000 or more

6. Do you have a mortgage on your primary residence?
   Yes; No

7. What is the outstanding amount of the mortgage on your primary residence? In other words, if it were fully repaid today, how much would you have to pay?

   Note that we are interested in the outstanding principal, excluding interests, fees, etc.
   [$0-$24,999; $25,000-$49,999; $50,000-$74,999; $75,000-$99,999; $100,000-$124,999;

$125,000- $149,999; $150,000-$199,999; $200,000-$249,999; $250,000-$349,999; $350,000 or more]

8. Do you and your household own any checking accounts?
   [Yes; No]

9. Could you provide an estimate of the total amount currently held in your checking account(s)?
   [$0-$199; $200-$699; $700-$1,299; $1,300-$1,999; $2,000-$2,999; $3,000-$4,999; $5,000-$8,999; $9,000-$19,999; $20,000-$39,999; $40,000 or more]

10. Do you and your household own any other short-term savings (savings/money market accounts, brokerage accounts or shares in money market mutual funds)?
    Yes; No

11. Could you provide an estimate of the total amount currently held in these account(s)?
    [$0-$999; $1,000-$1,999; $2,000-$4,999; $5,000-$9,999; $10,000-$14,999; $15,000-$29,999; $30,000-$49,999; $50,000-$99,999; $100,000-$149,999; $150,000 or more]

12. Do you and your household own shares of mutual funds, ETFs, or hedge funds?
    Yes; No

13. Could you provide an estimate of the total value of these assets (if they were sold today)?
    [$0-$9,999; $10,000-$24,999; $25,000-$49,999; $50,000-$74,999; $75,000-$99,999; $100,000-$199,999; $200,000-$399,999; $400,000-$699,999; $700,000-$1,699,999; $1,700,000 or more]

A.3.9 Demographics

1. Where you **born in the United States**?
   [Yes; No]

2. How many **children** do you currently have?
   [I do not have children; 1; 2; 3; 4; 5 or more]

3. Which category best describes your **highest level of education**?
   [Primary education or less; Some High School; High School degree/GED; Some College; 2-year College Degree; 4-year College-Degree; Master's Degree; Doctoral Degree; Professional Degree (JD, MD, MBA)]

4. Did you study economics in college?
   [Yes; No]

5. What is your **current employment status**?
   [Full-time employee; Part-time employee; Self-employed or business owner; Unemployed and looking for work; Student; Not working and not looking for a job; Retiree]

6. Please select all years in which you have been unemployed and looking for work for at least one week
   [menu with years from 1968 to 2024]

7. [(If "Full-time employee", "Part-time employee", or "Self-employed or small business owner" to employment_status)] Which category best describes your **main occupation**?
   [Management, business and financial occupations; Professional and related occupations; Service occupations; Sales and related occupations; Office and administrative support occupations; Farming, fishing and forestry occupations; Construction and extraction occupations; Installation, maintenance and repair occupations; Production occupations; Transportation and material moving occupations; Armed forces; Other (Please specify)]

8. [If "Unemployed and looking for work" to 5] Even if you are not currently working, which category best describes your most recent main occupation? Check the one that applies.

9. [If "Full-time employee", "Part-time employee", or "Self-employed or small business owner" to employment_status] Which of the following **sectors** are you currently employed in?
   If you have multiple jobs, check the one that best corresponds to your main occupation.
   [Agriculture, plantations, other rural sectors; Basic metal production; Chemical industries; Commerce; Construction; Education; Financial services, professional services; Food, drink, tobacco; Forestry, wood; Health services; Hotels, tourism, catering; Mining; Mechanical and electrical engineering; Media, culture, graphical; Oil and gas production, oil refining; Postal and telecommunications services; Public service; Shipping, ports, fisheries, inland waterways; Textiles, clothing, leather, footwear; Transport (including civil aviation, railways, road transport); Transport equipment manufacturing; Utilities (water, gas, electricity); Other (Please specify)]

10. [If "Unemployed and looking for work" to 5] Even if you are not currently working, in which sector did you last work?
    If you had multiple jobs, check the one that best corresponds to your main latest occupation.

11. Do you work in the **gig economy**?

The gig economy is based on flexible, temporary or freelance jobs, often involving connecting with clients or customers through an online platform.
[Yes;No]

12. Please indicate your **marital status**.
[Single; Married; Legally separated or divorced; Widowed]

13. What is your **spouse's** current **employment status**?
[Same options as in the respondent's case] Conditional on having a spouse.

14. At any time in **2023**, even for one month, did you or anyone in your household receive:

    - Any **cash assistance** from a state or county welfare program such as welfare to work, TANF, general assistance, diversion payments, or refugee cash?
    - An **Earned Income Tax Credit Break**?
    - Any **unemployment insurance transfers**?

    [Yes;No]

15. Are you covered by **Medicaid or Medical Assistance**?
[Yes;No]

16. Did you, or anyone in your household, receive **food stamps** or use a **food stamp benefit card** at any time in **2023**?
[Yes;No]

17. For what you currently know, do you think your **total household income** this year (2024) will be **significantly different from 2023**, overall?
[It will be a lot less; It will be a bit less; It will be around the same; It will be a bit more; It will be a lot more;]

18. On **economic policy** matters, where do you see yourself on the liberal/conservative spectrum?
[Very liberal; Liberal; Moderate; Conservative; Very conservative]

19. What do you consider to be your **political affiliation**, as of today?
[Republican; Democrat; Independent; Other (Please specify); Non-affiliated]

20. Did you vote in the **2020 presidential election**?
[Yes;No]

21. *(If answered "Yes")*
    In the **2020 presidential election**, who did you vote for?
    [Joe Biden; Donald Trump; Howie Hawkins; Jo Jorgensen; Other]

    (If answered "No") Even if you **did NOT vote**, please indicate the **candidate** that you would have voted for or who represented your views most closely.
    [Joe Biden; Donald Trump; Howie Hawkins; Jo Jorgensen; Other]

A.3.10 Feedback and Debrief

1. Please feel free to give us any **feedback** or impression regarding this survey.
   [Text box]

2. Thank you for your participation in our research study.

   To end the survey, please click on the arrow at the bottom right of the page as if you were answering a question.

   We would like to discuss with you in more detail the study you just participated in and to explain exactly what we were trying to study.

   Before we tell you about all the goals of this study, however, we want to explain why it is necessary in some kinds of studies not to tell people all about the purpose of the study before they begin. As you may know, scientific methods sometimes require that participants in research studies not be given complete information about the research until after the study is completed. Although we cannot always tell you everything before you begin your participation, we do want to tell you everything when the study is completed.

   We do not always tell people everything at the beginning of a study because we do not want to influence their responses. If we tell people what the purpose of the study is and what we predict about how they will react, then their reactions would not be a good indication of how they would react in everyday situations.

   This study had three main goals: understand how you think **about inflation and its causes**; understand **your policy preferences** in terms of inflation and unemployment; finally, we also wanted to study your understanding of the consequences of inflation.

   When you were asked to choose between different economies (the pairs between inflation and unemployment), the order and levels of inflation and unemployment shown to you were

randomly chosen each time. The purpose of this was to understand how you trade-off these concerns.

Moreover, before you were asked to choose between different economies, you might or might not have been given information about the true current values of inflation and unemployment rate in the US. The purpose of this was to understand how this information may have an effect on your preferences for inflation and unemployment. This is the information that was provided to some randomly selected respondents (that might include you): "For information, the current unemployment rate in the US is around 4%, while the current annual inflation rate is around 3%."

In addition, you might or might not have seen a video explaining the trade-off between inflation and unemployment. We did this in order to understand how you would use this information when expressing your policy preferences. This was randomized, meaning that you were randomly allocated to either see the video or not, as other respondents were. We could not tell you this beforehand in order to not affect your responses and have them be as they would in a real world setting. Please note that the information reflected general economic knowledge and there is nothing misleading in the video. Here is the video, please watch it if you are interested and to see what other respondents saw.

If other people get to know the true purpose of the study, it might affect how they answer questions, so we are asking you not to share the information we just shared.

We hope you enjoyed your experience, and we hope you learned something today. If you have any questions, please feel free to contact us on the email provided in the consent form (social.economics.research2020@gmail.com).

Do you have any other questions or comments about anything you did today or anything we've talked about? Thank you again for your participation.