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An In-Depth Look into Inflation in Argentina and the United States: A Qualitative Study

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Keywords

inflation, Argentina, United States

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Keywords: inflation, inflation persistence, inflation uncertainty, inflation expectations, hyperinflation, monetary policy, Argentina, United States

1. Introduction

Inflation, the sustained increase in the general price level of goods and services over time, is a complex economic phenomenon with far-reaching implications for individuals, businesses, and governments alike (Pigou, 1917). The definition is more than just the steady increase in money over time (Pigou, 1917). It is a topic that has garnered immense attention, especially in two distinct corners of the world—Argentina and the United States. While these two nations are separated by geography, culture, and economic systems, they share a common concern: the presence of inflation and its economic, social, and political ramifications. Granted, Argentina has endured more inflation troubles for a longer period, but the United States has endured inflation as well (Buera & Nicolini, 2019). In recent years, both Argentina and the United States have grappled with inflation, albeit in different ways and to varying degrees. These distinct experiences have fueled a plethora of research, and analyses. This paper embarks on a journey to explore the multifaceted landscape of inflation in these two nations from a qualitative study, offering a comparative analysis that seeks to unravel the different perspectives and, crucially, shed light on the ongoing troubles that are affecting their economies. In delving into the intricate dynamics of inflation, this paper employs a qualitative approach to capture the diverse perspectives and experiences of individuals from Argentina and the United States. The paper utilizes a qualitative study featuring interviews with two family members in Argentina and an Economics professor in the United States, this paper endeavors to bridge the gap between personal and academic perspectives. By comparing the real-life experiences of my family members in Argentina to the scholarly insights of the Economics professor in the United States, I aim to unravel the nuanced layers of inflation and its consequences on various individuals and economies.

The significance of studying inflation in Argentina and the United States extends beyond the realms of economics. It is a matter that resonates with citizens, policymakers, academics, and businesses worldwide. The consequences of inflation are manifold, touching upon issues of income inequality, financial stability, investment climate, and social welfare (Pigou, 1917). Furthermore, understanding how these two nations grapple with inflation is of paramount importance for international economic discourse and policy formulation. This research aims to address several fundamental questions: What are the underlying causes of inflation in Argentina and the United States? How do policies in these countries respond to inflation, and what are the consequences of them? What insights can be drawn from a comparative analysis of their experiences, and how can this knowledge inform future economic strategies?

To unravel the intricacies of inflation in Argentina and the United States, this study is organized as follows: In Section 2, the work will delve into the historical context of each country to pave their various situations and experiences. Then, in Section 3, the paper will explore the mainstream perspectives on inflation in both nations while describing commonly accepted theories and explanations in the literature. Subsequently, the study will critique these mainstream views by examining critical perspectives that offer alternative explanations and insights. The review will then transition to a comparative analysis, Section 4, seeking to identify commonalities and differences in the inflation experiences of Argentina and the United States. Additionally, Section 5, will delve into the methodology presented in the paper. Afterward, the paper will detail the analysis, Section 6. Subsequently, Section 7 will delve into the findings from the interviews and detail the common themes. Following this, Section 8 examines the limitations that are present in the study. Lastly, Section 9 concludes the paper with final thoughts.

2. Historical Context

2.1. In Argentina

The phenomenon of inflation in Argentina has persisted for multiple decades. It is crucial to examine this phenomenon in the literature to gain a further perspective on its roots. In the 1940s, policies were implemented to increase demand. This could not be proportionally compensated with the current supply so the growth in domestic product brought an increase in imports and a decrease in exports, this devaluated the peso and created the rise in domestic prices (Isoardi & Gil-Alana, 2019). Likewise, the research by Buera and Nicolini (2019) describes the historical context of Argentina's monetary policies from 1960 to 2017. They examine the historical troubles Argentina has experienced over the last 60 years. They mention the key policies and governments that led to the hyperinflations, two defaults on government debt, and the three baking crises that resulted in Argentina's persistent troubles (Buera & Nicolini, 2019). Therefore, the paper details four subperiods of inflation, 1960 to 1976, 1977 to 1990, 1991 to 2001, and 2002 to 2017. The work by Santarcángelo & Padín (2021), extends the fourth subperiod to 2002-2019. During the first subperiod, (1960-1976), Argentina closed all international capital movements, and its financial market was regulated tremendously with a fixed interest rate (Buera & Nicolini, 2019). In the second subperiod, (1977-1990), Argentina opened their private and public trade barriers thus allowing them to borrow from outside countries. This resulted in a crawling-peg system containing a preannounced system that devaluated the peso versus the U.S. dollar (Buera & Nicolini, 2019). Consequently, this led to the third subperiod, (1991-2001), Argentina establishing a currency board in 1991, which provided "a fixed exchange rate between the U.S. dollar and the newly created peso at a price of 1," (Buera & Nicolini, 2019, p. 15). This resulted in the Central Bank having to print pesos to buy

U.S. dollars, which prevented the monetary financing of this new deficit. Lastly, in the fourth subperiod, (2002-2019), during which Argentina experienced three key factors during this period, first, the bailout of the banking sector, because they were bankrupt from the insufficient conversion of bank assets to pesos (Buera & Nicolini, 2019). Second, by 2002, several provincial governments had their debts which were all taken by the government (Buera & Niccolini, 2019). Third, necessary social programs were launched to help the crisis on the lower-income class (Buera & Niccolini, 2019).

Therefore, Argentina's historical context is of paramount importance in understanding its economy and how they have persistently dealt with inflation. This paper aims to examine the historical backdrop, which the researchers can trace the progression of knowledge through studies and recognize the pivotal moments that have shaped the current state of the economy. Additionally, the historical context reveals how societal, technological, and political changes have influenced the research questions posed and the methodologies employed over time.

2.2. In the United States

In contrast to the inflationary challenges faced by Argentina, an examination of inflation in the United States unveils a different economic landscape, characterized by its unique historical trajectory, policy responses, and impact on both domestic and global markets. It is crucial to examine the history in order to further gain perspectives on the United States' policies and struggles. Explored within the work by Bredin and Fountas (2018), the historical context of U.S. monetary history, pivotal events, and policy shifts have shaped the nation's economic trajectory. To start, the American Revolution (1775-1783) saw the issuance of 'continentals' by the Continental Congress to finance the war effort, resulting in hyperinflation due to excessive printing (Bredin & Fountas, 2018). During the Free Banking Era (1837-1863), state-chartered banks proliferated, ushering in a common currency (Bredin & Fountas, 2018). However, unit banking and financial regulations triggered bank panics. Responding to the financial panic of 1907, the U.S. Congress passed the Federal Reserve Act in 1913, establishing the Federal Reserve (the Fed) to enhance monetary policy (Bredin & Fountas, 2018). The Fed's early years faced challenges during World War I (1914-1920), with gold inflows leading to inflation and post-war deflation (Bredin & Fountas, 2018). The Great Depression (1930s) brought bank panic and deflation despite the Fed's limited intervention (Bredin & Fountas, 2018). Subsequently, Post-World War II to 1965 was characterized by price stability, but the late 1960s witnessed inflation as the Fed exploited the short-run Phillips curve (Bredin & Fountas, 2018). The 1970s experienced inflation, driven by Chairman Arthur Burns' use of price controls, leading to the end of the Bretton Woods system. The late 1970s saw Paul Volcker implementing tight monetary policies to reduce inflation levels (Bredin & Fountas, 2018). The mid-1980s onwards marked the Great Moderation, characterized by low inflation and volatility, with an emphasis on communication and transparency at the Fed (Bredin & Fountas, 2018). Subsequently, the article notes that during the recent financial crisis (2007-2009) perceptions of the effectiveness of monetary policy influenced the Fed's ability to manage inflation and economic stability, sometimes hindering prompt action (Bredin & Fountas, 2018). After the Financial Crisis, the United States encountered a new and current-day problem, the COVID-19 pandemic (2020-2021) and the economic shutdown that triggered an inflation increase. As detailed in the studies by Borallo et al. (2021) and Jordá et al. (2022) examine the increase in inflation rates in the United States in 2021, specifically the rise in prices and the increase in CPI rates. This historical backdrop illustrates the complex interplay of policy decisions and external factors in shaping the U.S. economy.

3. Literature Review

There are numerous models and research that replicate the dynamics of inflation, particularly its persistence, uncertainty, expectations, and targeting (Miles et al., 2009). Research also mentions the effects of hyperinflation in each country. The phenomenon of inflation has increasingly attracted the attention of researchers, who have managed thorough examinations of it due to the significant economic and societal ramifications it can cause within nations (Isoardi & Gil-Alana, 2019). There are multiple aspects of inflation that we need to consider in order to justify a nation's monetary policies that were put forth. In this review, we will examine the inflation in both Argentina and the United States, while highlighting their historical context, monetary policies, and key inflation periods that contribute to the various arguments made in the literature.

3.1. Inflation in Argentina

The paper will now examine the relevant literature on Argentina's inflation crisis spanning across the last 60 years. Specifically, in the second period, (1977-1990), Beckerman (1995) argues that the "main 'engine' of the 1989 hyperinflations [in Argentina], was the Central Bank's own 'quasi-fiscal deficit'," (p. 665). The Central Bank absorbed money at a higher rate causing an increase in interest bills and this allowed the Central Bank to enter into distress, losing its ability to place additional debt (Beckerman, 1995). During the 1970s and 1980s Argentina endured a long inflation period from the "high fiscal deficits going back well before the 1980s, heavy external interest burdens swollen by rising world interest rates in the early 1980s, and traumatic devaluations needed to reverse excessive current-account deficits," (Beckerman, 1999, p. 665). Argentina was now subject to higher interest rates from the liberalization in October 1987, this destabilized the economy and increased the national debt. Due to this new debt, real interest rates had to be increased to halt the debt from rising, this exacerbated the public sector into distress (Beckerman, 1995). In the 1980s, high inflation had been a manifestation of class struggle, with capital struggling to control labor's demands for wage indexation (Féliz, 2009). Additionally, the hyperinflations from 1989 and 1990 were because of high interest rates on money.

During the third subperiod, (1991-2001), the findings by Paddock (2002), Buera and Nicolini (2019), and Féliz (2009) claim Argentina's crisis stemmed from the paradoxical nature of the United States government's strategy for controlling the Argentine labor class, known as the "convertibility plan." This comprehensive strategy involved the dollar-convertibility of the domestic currency, the liberalization of current and capital accounts in the balance of payments, and the deregulation of the labor market (Féliz, 2009). However, its success in boosting labor exploitation, and Argentine neoliberal reforms ultimately triggered the crisis (Féliz, 2009). The plan deliberately overvalued the peso while attempting to fix its exchange rate with the dollar (Féliz, 2009). It precluded the monetization of the labor conflict through inflation and the U.S. took control of the labor process and reproduction of labor to restructure society (Féliz, 2009). This shift meant that firms, faced with any amount of wage concessions, had to absorb them through profits or increased productivity (Féliz, 2009). Although currency overvaluation posed risks to individual capitals, particularly small enterprises, it served the broader interest of capital by facilitating restructuring and enhancing control over the labor process and societal reproduction (Féliz, 2009). Unable to sustain hegemony over society, capital used its influence over prices to extend this conflict throughout society (Féliz, 2009). Simultaneously, Argentina experienced a violent and regressive productive restructuring, relying on capital concentration, centralization, and escalating inflation rates, all aimed at reclaiming control over labor (Féliz, 2009). This dynamic underscores how the convertibility plan contributed to labor exploitation and the ensuing economic crisis (Féliz, 2009).

In a later work, Paddock (2002) builds upon the currency-peg system, the balance of payment problems, growing foreign debt, and mounting deficits, along with the IMF’s role in Argentina’s economic policies. Paddock (2002) argues that the IMF perhaps caused and somewhat addressed the crisis, and whether the policies were appropriate for Argentina. The IMF put a lot of pressure on nations to implement fiscal measures to attract investment, which led to the dismantling of social programs and potentially led to riots and social unrest (Paddock, 2002). This coped with insufficient financial regulations led to irresponsibility in the private sector, so the poor had to pay for IMF’s policies (Paddock, 2002). As Argentina grappled with a recession, the IMF's unwavering adherence to dogmatic, fiscally oriented conditions, established in the early 1990s, exacerbated the crisis (Paddock, 2002). Despite the deepening recession, the IMF persisted in demanding a fiscal surplus and austerity measures, intensifying the economic slowdown and depressing tax revenue (Paddock, 2002). Argentina's inability to meet the IMF's fiscal targets became inevitable. However, due to the country's ongoing economic liberalization efforts—embracing privatization, deregulation, and attempts at fiscal discipline—the IMF maintained its support (Paddock, 2002). By the end of 1996, tensions escalated between the government and local interest groups, who argued that the IMF's prescribed economic policies were inflicting permanent damage (Paddock, 2002). The IMF understood the situation Argentina was involved in, “even after seven years [1991-1998] of failing to meet IMF conditions, the organization’s officials showed no sign of reconsidering their stance, contributing significantly to Argentina’s deepening crisis,” (Paddock, 2002, p. 162).

Likewise, a comparable study done by Smith (1976) demonstrates that the market power in a nation when fully utilized can gain higher wages and prices which exceeds the demand for labor. In this case, the United States used its market power to control Argentina’s currency to push wages and prices up when there was a lack of general excess demand. The work by Smith (1976, p. 35) adds that the market power of a nation is the “initiating factor in the process of inflation,” thus agreeing with the findings by Féliz (2009). This aligns with the findings of Santarcángelo and Padín (2021), which state the deliberate strategy used by the United States to direct local and foreign companies to accumulate extreme profits at the expense of the rest of Argentine society. This article details the resurgence of neoliberal economic policies through President Mauricio Macri’s administration (2015-2019). They urgently reduced banking reserve requirements, allowed free foreign currency trading for residents and companies, and removed payment restrictions for tourism and business (Santarcángelo & Padín, 2021).

Within the fourth subperiod, (2002-2019), the work by Santarcángelo & Padín (2021), details President Macri’s "economic stabilization" plan, which aimed to boost exports, attract foreign investment, and implement a massive infrastructure program (Santarcángelo & Padín, 2021). With this new plan, “the current account deficit doubled between 2016 and 2017, reaching US$31 billion,” (Santarcángelo & Padín, 2021, p. 240). Also, Argentina encountered a severe economic and social crisis instead. Public debt skyrocketed from 52.6% of GDP in December 2015 to 90.2% in 2019 (U.S. $323 billion), representing a 37.6-percentage point increase in the debt-to-GDP ratio in four years (Santarcángelo & Padín, 2021). Thus, the economic crisis in

Argentina continued due to high inflation rates, falling wages, rising debt and unemployment, and a rise in poverty (Santarcángelo & Padín, 2021). This growing debt burden was exacerbated by the devaluation of Argentina's currency, and this agrees with Beckerman (1995). There were notable shifts in the composition of debt instruments, including a transition from LEBACs to LELIQs, and an increasing reliance on Treasury bills (Santarcángelo & Padín, 2021). The government repeatedly adjusted interest rates to manage debt, but these fluctuations led to capital flight and further currency devaluation (Santarcángelo & Padín, 2021). Despite claims of technical expertise, the IMF's policy recommendations did not result in successful developmental experiences in the nation (Santarcángelo & Padín, 2021). This is also outlined in the study done by Paddock (2002). Argentina has faced numerous different policies and proposals that seem to all fail or increasingly worsen the economy. The paper by Buera and Niccolini (2019, p. 23) states it best, “these events have offered the average Argentinean only misery and pain.”

Building upon the fourth subperiod (2002-2019), the work of Cavallo et al. (2016) presents the idea behind household inflation expectations when there are potentially biased statistics during a period of government manipulation in Argentina (2006-2015). The paper looks at observations and experimental evidence to obtain this manipulation evidence. The study ran a large-scale survey experiment after the National Statistics Institute’s (INDEC) false reporting of official statistics that were below unofficial estimates (Cavallo et al., 2016). The survey was in December 2012, and it measured “how these pieces of information affected their subsequent inflation perceptions, inflation expectations, and their confidence in these beliefs,” (Cavallo et al., 2016, p. 4). Their data discovered that individuals with higher inflation statistics reported higher inflation perceptions and individuals with lower inflation statistics reported lower inflation perceptions (Cavallo et al., 2016). The article suggests that people adjust their inflation beliefs based on the data they receive, which can have significant implications for economic behavior and decision-making (Cavallo et al., 2016). Furthermore, the study done by Thornton (2008), investigates the relationship between inflation and inflation variability in Argentina, which aligns with the research conducted by Cavallo et al. (2016). While Thornton (2008) primarily focuses on the historical aspects of Argentina's inflation, especially during the early 1970s and late 1980s, Cavallo et al. (2016) delve into contemporary issues related to household expectations of inflation. Both studies contribute to a comprehensive understanding of Argentina's economic challenges, with Thornton (2008) providing evidence that strongly supports the existence of a positive relationship between the level and variability of inflation, thus concluding that the inflation period of 1810-2005 can be considered a stationary series. At the same time, Cavallo et al. (2016) explore how these issues manifest in the perceptions and expectations of households, particularly during times of government manipulation. Together, these studies shed light on the complex dynamics of inflation in Argentina's economic history and its contemporary implications.

Multiple papers primarily focus on inflation persistence in the literature. First, D' Amato et al. (2009), examine the degree of inflationary persistence by analyzing the cumulative autoregressive components with the AR(*p*) applied to the inflation series from 1980 to the mid-2000s. This entire dataset reveals that the statistical measure of inflation persistence stands at 0.8, indicating a substantial level of persistence when assuming a constant mean for the series (D' Amato et al., 2009). However, this persistence metric decreases to 0.56 when accounting for changes in the mean by incorporating a time-varying mean variable (D' Amato et al., 2009). This entails the significant change in the mean is the persistence of inflation in Argentina during the period 1980-2007, which is related to the hyperinflation period of 1989 and the convertibility regime in 2002 (D' Amato et al., 2009). The mean decrease happens when there is a strong decline in inflation, which happened during the Convertibility regime of 1991 (D' Amato et al., 2009). Furthermore, a later work done by Isoardi and Gil-Alana (2019), mentions that persistently high inflation rates have become the norm in Argentina, and in the paper, they used fractional integration or ARFIMA (*p, d, q*) models to identify the different degrees of memory of the series from 1945-2016 (Isoardi & Gil-Alana, 2019). Their use of fractional integration is different from ARMA processes done by D' Amato et al. (2009) because it allows them to be more flexible and create a real value "*d*" component from 0 to 1 or even above 1 (Isoardi & Gil-Alana, 2019). Their fractional integration models can identify different degrees of memory, short, medium, and long memory, which is the dependence or correlation between observations that are spaced out from extended periods (Isoardi & Gil-Alana, 2019). They conclude that the annual fractional integration models were a bit ambiguous in identifying short ($d = 0$) and long memory ($d > 0$). For the monthly models they are more conclusive with long memory ($d > 0$), where all were substantially above 0 (Isoardi & Gil-Alana, 2019). This long memory characterized the inflation persistence in Argentina, thus making the present and especially the future values dependent on Argentina's history. Together, these studies provide a comprehensive view of how inflation persistence in Argentina is shaped by both historical events and the inherent memory of economic data, enriching our understanding of this complex phenomenon.

On the other hand, at the height of inflation rates and weak monetary policies, Argentinian Universities had to adjust, Gantman & Contreras (2001) state the knowledge system from 1960 to 1990 in Argentina changed because they tried to be more like one another, and there was an increase in the value of university degrees during the inflation crisis. During the crisis, there was, "massive unemployment, growing social inequality, and the emergence of a pattern of dual societal structure with a small [stratum] of winners, and a large number of losers, including an impoverished middle class," (Gantman & Contreras, 2001, p. 245). This brought a surge of insufficient workers to the labor markets; a university degree could not assure job stability (Gantman & Contreras, 2001). This resulted in the government selling state-owned companies to private businesses because foreign companies made Argentina's industries smaller (Gantman & Contreras, 2001). People with highly qualified degrees were jobless because their degree was overvalued, and the job market was scarce due to the inflation crisis.

3.2. Inflation in the United States

The historical backdrop provided in Section 2 illustrates the complex interplay of policy decisions and economic factors in shaping the United States economy. The paper by Bredin and Fountas (2018) conducts a study of the relationship between inflation and inflation uncertainty in the United States over two centuries (1801-2013), focusing on the impact of the establishment of the Federal Reserve (Fed). They find that inflation has been higher during the period since the Fed's inception (post-1910s), but inflation uncertainty has lowered during the same period (Bredin & Fountas, 2018). This apparent contradiction is attributed to prolonged recessions that were more common following the founding of the Fed, suggesting that the creation of the Central Bank had no significant impact on inflation or inflation uncertainty when accounting for recessions (Bredin & Fountas, 2018). The study also identifies the effects of various historical events, including banking and stock market crises, which increase inflation uncertainty and positively affect both inflation and inflation uncertainty (Bredin & Fountas, 2018). Conversely, the gold standard years (1877-1913) are associated with lower inflation and inflation uncertainty (Bredin & Fountas, 2018). However, inflation and its uncertainty were higher during wartime periods, such as World War I, World War II, and the Civil War (Bredin & Fountas, 2018). When considering a possible structural break associated with the Fed's dual mandate and the emphasis on price stability, the results continue to emphasize the Fed's unsuccessful performance in controlling inflation (Bredin & Fountas, 2018). These findings are consistent with previous studies and highlight the Fed's complex role in shaping inflation dynamics in the United States.

Moreover, the article by Miles and Vijverberg (2009) examines the “volatile energy costs [that] contribute to higher inflation uncertainty in the United States,” (p. 736). The study uses the Markov-switching model and the GARCH model to investigate inflation along with its persistence and uncertainty (Miles & Vijverberg, 2009). Their findings were that inflation uncertainty has risen in the present decade (2000-2010) and that higher energy prices are the likely culprit (Miles & Vijverberg, 2009). During this decade (2000-2010) the United States saw multiple changes, “the tech bubble, the end of Alan Greenspan’s tenure, the rise and bursting of the housing bubble, the 9/11 terrorist attack, the Afghanistan and Iraq wars, and volatile energy prices,” (Miles & Vijverberg, 2009, p. 738). Individuals and firms see energy prices as a key factor in the economy, thus higher energy prices can be associated with higher inflation uncertainty amongst the public. The work done by Miles and Vijverberg (2009) coped with Bredin and Fountas (2018) presents the various ways that inflation uncertainty stems from monetary policies, political and economic figures, political turmoil, economic innovations, and energy prices.

After the Financial Crisis, the United States encountered a new problem, the COVID-19 pandemic (2020-2021), in the research done by Borallo et al. (2021) and Jordá et al. (2022) detail the percentage increase in inflation rates in the United States in 2021, specifically the rise in prices and the increase in CPI rates. The inflation rate increase is due in part to the base effect, "as current prices are compared with those of the previous year, marked by an across-the-board decline in prices derived from the shutdown in activity in major sectors of the economy," (Borallo et al., 2021, p. 4). Due to the pandemic shutdown, the economy had to spend less and save more. When the pandemic started to dwindle down, all the savings were now being spent on goods causing a new demand (Borallo et al., 2021). This demand outweighed the current supply because the supply chain was still delayed due to the shutdown (Borallo et al., 2021). The work details three key risks, "wage pressures derived from the labor market situation; the potentially more-pronounced-than-expected inflationary effects of the substantial fiscal stimuli applied in response to the pandemic; and a possible de-anchoring of medium-term inflations expectations," (Borallo et al., 2021, p. 7). Additionally, the labor market has become insufficient with this new demand because people have retired earlier, low-level employees are fearful of being ill with COVID-19, and/or household fiscal decisions may have changed people's minds about working (Borallo et al., 2021, p. 9). The fiscal policies allowed more people to save more money, along with the restriction of labor during the pandemic which permitted people to use these new savings on goods that had limited supply, which pushed prices up. A comparable study done by Jordá et al. (2022) addresses the impact of the COVID-19 pandemic and fiscal policies on the United States economy, particularly concerning inflation. The article discusses the economic consequences of the COVID-19 pandemic and the fiscal policies implemented in response (Jordá et al., 2022). They emphasize the role of fiscal support, including the CARES Act and the American Rescue Plan Act, in increasing disposable income for households and contributing to inflation (Jordá et al., 2022). The study adopts a Phillips Curve framework to explore the connection between fiscal support and inflation, suggesting that income transfers may have played a role in driving up inflation rates (Jordá et al., 2022). This article provides a broader overview of the economic consequences of these policies. Together, these studies contribute to a comprehensive understanding of the complex relationship between fiscal support, pandemic effects, and inflation in the United States.

Considering these various works, Weber et al. (2022) discuss the significance of subjective inflation expectations held by households and firms, emphasizing their impact on pricing decisions, wage negotiations, and consumption choices. The article examines the mean inflation expectations of households, professional forecasters, and firms from 1980 to 2020. Understanding the formation and heterogeneity of these subjective inflation expectations is crucial for comprehending individual and aggregate economic outcomes (Weber et al., 2022). Surveys have been developed to measure these expectations effectively, despite many challenges like survey wording, response rates, and panel conditioning (Weber et al., 2022). Determinants of inflation perceptions and expectations include differences in price signals, infrequent updates through social media and policy communication, cognitive abilities, and income levels (Weber et al., 2022). These expectations influence various decisions, such as saving, consumption, wage bargaining, labor supply, investment, leverage, hiring, and price-setting. Interestingly, Weber et al. (2002) state that "the extent to which long-run inflation expectations are anchored, and the extent to which they will remain anchored, has played an important role in monetary decision-making in 2022 in response to the surge of inflation that began in 2021," (p. 180.). In addition, Weber et al. (2022) extend the studies done by Borallo et al. (2021) and Jordá et al. (2022) by introducing these inflation expectations households and firms have on the economy, which ultimately changes the way inflation increases. Weber et al. (2022) indicate that this is understudied and that the challenges in obtaining inflation expectations call for more innovative communication tools in monetary policy to reach ordinary households and firms. This leads into the work done by Dash et al. (2020), which notes that the anchoring and (de)anchoring of long-term inflation expectations in the U.S. is mixed and there is not enough communication. Additionally, Dash et al. (2020) focus on the statistical significance of the time variation in the parameter from 1990-2019 and reveal that the degree of de-anchorage has remained significant during the entire study period. It notes that the degree of de-anchorage was higher in the early 1990s but gradually declined until the mid-2000s, then increased during the global financial crisis and again from mid-2011 to mid-2015 (Dash et al., 2020). As a result, the study by Borallo et al. (2022) highlights the recent inflation spike (2020-2021) most likely stems from the potential de-anchoring of inflation expectations in the medium and long term, thus agreeing with the findings by Dash et al. (2020). In a related study, Weber et al. (2022) build upon this notion, stating that "there is a strong positive correlation between [the changes in households and firms' short-term and long-term expectations on monetary policy], indicating that inflation expectations are not well anchored during this period from approximately 2017-2020," (p. 169). This indicates that during shocks "people do not think that inflation shocks are short-lived or that the central banks will take actions that offset these shocks," (Weber et al., 2022, p. 171).

4. A Comparative Analysis of Inflation in Argentina and the United States

As mentioned, Argentina's history of inflation can be traced back to decades of inconsistent policies and economic mismanagement. The country faced frequent changes in economic policies, including currency devaluations, fiscal deficits, and excessive money printing (Buera & Nicolini, 2019). These inconsistent policies contributed to hyperinflations, defaults on government debt, and banking crises. In contrast, the United States has maintained a relatively stable economic environment with more consistent monetary policies. While it has experienced periods of inflation, they have been generally milder and better managed. The Federal Reserve has played a crucial role in stabilizing the economy and addressing inflationary pressures (Bredin & Fountas, 2018).

Additionally, Argentina's history includes experiments with different exchange rate systems, from fixed exchange rates to currency pegs (Buera & Nicolini, 2019). These policies often led to imbalances in the foreign exchange market and triggered inflation when unsustainable currency policies were abandoned (Féliz, 2007). In contrast, the United States has maintained a flexible exchange rate system, which allows its currency, the U.S. dollar, to adjust to market forces (Féliz, 2007). This flexibility has contributed to a more stable currency, reducing the risk of abrupt currency devaluations (Bredin & Fountas, 2018).

Furthermore, Argentina has faced multiple financial crises, resulting in the need for international bailouts and assistance, often with conditions imposed by organizations like the IMF (Paddock, 2002). These bailouts sometimes exacerbated social unrest and economic challenges (Féliz, 2009). However, the United States, as a larger and more economically stable nation, has not required international bailouts to the same extent. Its currency's status as a global reserve currency has also provided a degree of stability (Bredin & Fountas, 2018).

Notably, Argentina has experienced political instability, with frequent changes in leadership and a history of populist policies (Santarcángelo & Padín, 2021). This political turbulence has contributed to economic uncertainty (Santarcángelo & Padín, 2021). Conversely, the United States has relatively stable political institutions and a consistent policy framework. Changes in government leadership typically do not lead to drastic shifts in economic policies (Bredin & Fountas, 2018).

Additionally, in Argentina, the population's perception of inflation and its expectations have played a role in exacerbating inflationary pressures (Cavallo et al., 2016). Changes in consumer behavior and spending patterns can influence inflation dynamics (Cavallo et al., 2016). On the contrary, in the United States, while there may be fluctuations in inflation expectations, the Federal Reserve's credibility and transparent communication help anchor long-term inflation expectations more effectively (Bredin & Fountas, 2018).

In short, the differences in the experiences of Argentina and the United States with inflation can be attributed to a combination of historical, political, and economic factors. Argentina has faced a series of crises due to inconsistent policies, political instability, and vulnerability to external shocks. In contrast, the United States has maintained more stable economic conditions with consistent monetary policies, a flexible exchange rate system, and a larger and diversified economy. These factors have contributed to the United States' ability to manage inflation more effectively and avoid frequent crises.

Considering all of this, the literature detailing Argentina's persistent inflation challenges contains a notable gap that will be studied in this paper. The literature provides a very detailed historical context and its relevant causes, but there is a gap in exploring the social and economic perspectives of individuals. This would help gain a more personal sense of how inflation affects the daily lives and overall well-being of individuals. Similar to Argentina, the literature misses the social and economic impact of inflation in the United States as well. With these two gaps, the research in this paper aims to examine the socioeconomic impact of inflation on individuals in Argentina and the United States in a qualitative study.

5. Method

This paper examines the gap that is highlighted in Section 4 within Argentina and the United States, which is the lack of literature on the socioeconomic impact of individuals during high bouts of inflation. This facet serves as a critical bridge between the theoretical framework and real-world experiences. The study contains a qualitative approach, using interviews to gain personal and real-world perceptions from individuals who live in Argentina and the United States. Therefore, the interviews involved two family members from San Carlos de Bariloche, Argentina, and an Economics professor at Gettysburg College, Pennsylvania. These interviews help to distinguish the overall effect inflation has on people in Argentina and in the United States, noting key themes that may be similar or different from each country. The core objective of this framework is to obtain insights into the socioeconomic impact of inflation by understanding how individuals perceive and experience inflation within their societies. Interviews offer valuable insights that can help point out key problems individuals face during a time of crisis. Additionally, this helps to understand how economic phenomena shape societies. The intention is to identify key themes and nuances that might not be evident in quantitative data. This approach will shed light on unique insights into the socioeconomic impact of inflation and align to capture the personal and societal dimensions of this complex issue.

5.1. My Framework

Conducting these interviews represents an attempt to delve into the personal perspectives of individuals regarding inflation, with a particular focus on various key themes such as uncertainty, expectations or perspectives, persistence, and policies. By capturing the lived experiences, beliefs, and sentiments of my interviewees, the research endeavors to uncover how these individuals navigate their economic circumstances, contributing to our understanding of how societies are shaped and transformed in response to economic challenges. This method of inquiry is vital, as it acknowledges that economics is not just a matter of numbers and statistics, but rather a deeply human experience that influences the choices people make, their aspirations, and their overall well-being. By taking a holistic view, we can better comprehend the multifaceted nature of inflation and its societal implications.

5.2. The Recruitment Process

The recruitment process for this study was grounded in familial connections within Argentina. As an observer of Argentinian heritage, my intrinsic motivation was to explore the perspectives of my family members and gain insight into their collective views regarding the ongoing economic challenges facing their nation. Furthermore, Argentina has grappled with persistent economic instability, a concern that has consistently plagued the country, and this crisis has had a profound impact on its citizens, including my family. Moreover, my visits to Argentina have presented me with the opportunity to witness firsthand the tangible effects of economic turbulence on individuals, and these observations kindled a desire to delve deeper into understanding their experiences.

As a result, the decision to involve my family in this study was not solely driven by a familial connection but also by a genuine interest in bridging the divide between personal experiences and economic theories. By engaging my relatives in truthful conversations, I sought to establish a meaningful and authentic connection between personal narratives and the broader economic landscape. This research undertaking provided a unique opportunity to embrace and document their perceptions during a crisis, and in doing so, allowed for the creation of a more profound and empathetic economic connection with them.

In addition to the interviews with my family members in Argentina, the recruitment process for this study extended to the inclusion of an Economics professor at Gettysburg College in the United States. The choice to engage with an academic expert in the field of economics was motivated by the desire to obtain an academic perspective on economic matters, particularly in the context of the United States. As an academic institution renowned for its expertise in various fields, Gettysburg College offered an ideal platform to connect with a scholar well-versed in the current state of the United States economy.

This collaboration aimed to draw a contrast between the economic situations in Argentina and the United States, two countries marked by distinct economic challenges. The participation of the Economics professor was intended to provide scholarly insights and informed perspectives, which could be compared and contrasted with the personal experiences and views of my Argentinian family members. This multifaceted approach seeks to offer a more holistic understanding of the economic issues under examination, bridging the gap between academic knowledge and personal narratives. By including this academic viewpoint, the study aspires to present a well-rounded analysis of the socioeconomic impact of inflation in both countries.

Following the recruitment process, the participants were presented with prior informed consent. Interviewees reviewed their ethical obligations and understood that their knowledge would not harm them. I wanted the participants to feel comfortable with sharing their experiences copped with the safety of prior informed consent. Afterward, I presented the research objective to my two family members and the Economics professor. I approached them individually and informed them that the study would involve some questions and a deep conversation. I would record and take notes on the conversation pertaining to their experiences and perceptions of their country and society. All three interviewees agreed to participate in my study.

5.3. Reflexivity

As the principal investigator for this study, it is imperative to acknowledge the impact of my personal experiences, beliefs, and biases on the research process and its outcomes. My connection with my family members in Argentina has cultivated a profound sense of empathy and concern for the nation's enduring economic challenges. Since I have this familial connection there might be strong feelings associated with Argentinian policies and statements. These biases are unintentional, it is because I am partially Argentinian and value my heritage. Furthermore, over the years, I have witnessed the cyclical nature of the crisis in Argentina, leading to a deeply ingrained belief that the nation possesses the potential for economic stability, yet consistently struggles to achieve it. This personal connection has the potential to shape my interpretation of the data gathered from my family members, influencing how I perceive and present their perspectives.

Conversely, I view the United States as a global superpower, one that is characterized by a history of economic resilience and boundless opportunities, which may affect my interpretation of the Economics professor's contributions. This potential bias underscores the significance of including the professor as a study participant, as their academic expertise and objectivity offer a valuable counterbalance to my perspectives. By collaborating with the professor, I aim to critically assess and refine my perceptions, ensuring that my interpretations of their insights remain objective and unbiased. In this study, reflexivity is crucial for recognizing and addressing the impact of my viewpoints, ultimately fostering an impartial and comprehensive analysis of the socioeconomic impact of inflation in both Argentina and the United States.

5.4. Data Collection

I utilized interviews, observations, and field notes to examine the data and to collect knowledge on inflation perspectives.

5.4.1. Observations and Field Notes

The interview spaces were uniquely different from each other. For my family members in Argentina, I was constrained to hold my interviews online over WhatsApp. My interview space was subject to only their face and the background of their room. Since it is difficult to travel across the world for an interview, I used WhatsApp as a way to conduct my interviews with my family members. On the other hand, for my interview with the Economics Professor, I visited their office at Gettysburg College, this space was very unique to the professor. The office space was cluttered with tons of pens, paperwork, and newspaper articles. Behind the desk were two monitors and the professor, comfortably sitting in their desk chair. At the time their office space was very hot, so we decided to open the window for some circulation.

5.4.2. Interviews

My interviews with the two participants in Argentina covered details regarding their opinions and emotions on inflation in their respective country. It aims to gather personal experiences and observations to help understand how the economic challenges and instability in Argentina have affected individuals. I gathered information on how inflation affects them and their family, questions that dove into the direct impact of inflation on daily life and decision-making. Thus, I asked the Argentinian participants: Can you share your personal experiences and observations related to the economic challenges and instability that Argentina has faced over the years? Afterward, the proceeding questions were: How has inflation affected your day-to-day life and decision-making in Argentina? Do you save more and buy less? Do you invest more and save less? Can you describe any specific instances that come to mind? In your opinion, what are the key factors contributing to the economic challenges in Argentina, and how have these factors evolved over time? Can you reflect on the repetitive nature of the economic crisis in Argentina and how it has affected your life over the years? Could you describe the role of government policies and regulations in shaping your perceptions and experiences in Argentina? How do you personally cope with economic uncertainty and persisting challenges in your country? How do you believe these experiences impact the broader society? Have there been moments when you felt hopeful or pessimistic about Argentina's economic future? What events or factors influenced these feelings? What are your perceptions on saving and interest rates? If interest rates increase, do you invest in banks?

Furthermore, my interview with the Economics professor detailed their opinions and emotions on inflation in their respective country. The question aims to use the academic perspective to compare the economic challenges and trends in the United States with Argentina. I gathered information on how inflation affects them and their family, questions that dove into their insights on the effect of inflation in their daily lives, and how American families may handle inflation. Thus, I asked my participant: Can you share your personal experiences and observations related to the economic challenges and instability that the United States has faced over the years? From your academic perspective, how would you characterize the key economic challenges and trends in the United States in recent years? How has inflation affected your day-to-day life and decision-making in the United States? Can you describe any specific instances that come to mind? How do you think American families handle inflation, what steps have the Central Banks used to combat this? How do you perceive the influence of government policies and economic regulations on inflation and economic stability in the United States? When you consider economic challenges in the United States, what specific emotions or concerns do you think people experience, and how might this impact their aspirations and well-being? Have you read or seen anything regarding inflation in the United States compared to Argentina? What are your perceptions of a developed country like the United States versus a developing country's inflation like Argentina? How do they differ? What is your view of the Central Bank in the United States versus a developing country like Argentina?

The responses to these questions were recorded using a voice recorder and with the consent of the participants. I conducted the two Argentinian interviews online on WhatsApp and wrote the transcriptions in English from Spanish. Since it is my family members it was easy to establish a connection on the research. For the Economics professor, I interviewed them in their office. Each of the interviews lasted from 30 minutes to 1 hour. In some instances, the voice recorder was stopped because of informal interactions, thus they were not recorded because they were not related to the topic. I wrote field notes and observations to gain each participant's perceptions and experiences throughout the interview.

6. Analysis

I began by reading each transcript to understand the different perspectives and experiences expressed by the three individuals whom I spoke with. I highlighted key themes that demonstrated significance to the study. These themes were generated by the importance of each question and conversation, each theme detailed each individual's perceptions. For the Argentinian participants, I analyzed their transcriptions and pieced together multiple themes that were presented, both were added together to create central themes for the study. For the Economics professor, I analyzed their transcript and created prevalent themes, I then detailed them after Argentina's themes. Additionally, I wrote field notes on each participant's reactions and their use of hand motions, highlighting this allowed me to understand how they truly felt about each question.

Therefore, I separated the themes from both countries to further present the differences in individual perceptions in both countries. As a result, I generated the themes for Argentina: persistent economic struggle and adaptation, economic class disparities, government policy as a determining factor, uncertainty between hope and pessimism, and the dollar versus the peso. For instance, I generated the theme of persistent economic struggle and adaptation because the answers detailed by the participants demonstrated their struggle throughout their lives from when they were young to being grown adults and having to adapt to these persistent changes. Moreover, I generated the themes for the United States: financial stability, financial struggle and resilience, economic class disparities, fear, shame, and anger as emotional responses, the post-COVID economy, and developed versus developing countries. Specifically, I generated the theme of financial stability because the answer detailed by the participant demonstrated their position in the economy and how they were more stable than struggling.

7. Findings

Detailed below are the findings of my study from the interviews gathered from each individual, I then generated central themes and perceptions from Argentina and the United States.

7.1. Argentina

7.1.1. Persistent Financial Struggle and Adaptation

I began my interviews with both of my family members in Argentina with a question on their overall experience with inflation persistence in their lives:

> It has been years, years, and years that Argentina has suffered from this situation of instability. Despite being a rich country, it has never had economic stability, it has suffered ups and downs. Well, inflation is a horrible disease that attacks us now like never before in our history. We have 12% monthly inflation and about 138% year-to-year inflation, it is horrible. We do not have any idea of what the prices will be. Every day there is an unusual price increase in goods and food, everything increases because we have a totally devalued currency, and our peso is worthless.

My family member detailed the overall consensus of individuals in Argentina, which was absurd because of how terrible their economy's inflation has skyrocketed. People are uncertain about the prices of goods and services and their currency does not have any value. This leads to Argentinians needing to limit and alter their decisions; they must spend and save intelligently:

> Well, the expenses are becoming more and more limited. In the sense that you have to take much more care of yourself, to avoid having superfluous expenses. For example, one begins to limit eating out at restaurants, one begins to limit the

> amount of shopping one does in the supermarket, and one begins to not spend so much money on things that are not necessary. Does one begin to take care of the expense of gasoline? The expense of using the car? Well, with the normal things of the day one begins to think more about not spending on things that are not necessary.

With this, individuals must change their spending decisions, they must go out of their way to save more money on goods and services that were once normal for them. Each individual makes more decisions to limit their spending on unnecessary goods, this creates less demand in the economy. Each individual starts defining "the normal things of the day" as anything substantial and expensive enough to limit. My other family member adds to this:

> In reality, I need to spend less. I am retired, and I need to watch my wallet, so I do not spend more than I have to. I have to watch myself carefully, I need to watch what I buy and make healthier meals with cheaper food. For example, I do not buy avocadoes because every avocado costs me 1,000 pesos. Our 1,000 pesos is one dollar, it is a shame, but 1,000 pesos is the currency, the biggest bill. The meaning is greater in Argentina, so I do not buy avocadoes because it makes me angry.

The same goes for both family members and many other individuals in Argentina, they have to continuously limit what they purchase for less desirable things. As more limitations are added the more angry and uncertain an individual is with their country and government. My family member added the limitations of other expenses like:

> Not going out to a restaurant. I will tell you no because it is very expensive. I do not go to restaurants; I prefer to cook in my house. When I am with my friends,

> we only drink coffee. A couple of times we drank tea in a coffee shop, but there were no other expenses. How do I tell you, there are not any expenses here either. There are so many temptations that we cannot go to, for example, the theater because there are not any shows. So, in that sense, we do not miss it, our fun is to go on a trip, a short trip, and go to the next town and have lunch. But, it is so expensive that we do not go anymore because we spend on food and traveling. You use a lot of gasoline, so then, you do not go, we have reduced our pleasures.

This instance expresses the excessive limitations my family members and others place on their lives in Argentina. They want to go out and enjoy different aspects of spending, but they financially cannot, the examples of going to the restaurant, the theater, and going on a trip are now unimaginable. It is said best by my family member; "we have reduced our pleasures."

7.1.2. Economic Class Disparities

I aimed to gather perspectives on different economic classes in Argentina, my family specifically resides in the middle class, so their opinions are the same. One family member explains it as:

> Some people have money saved, and this is a small percentage of people who have pesos saved, which they spend. That is to say, they turn to buy a car, appliances, or goods that they use every day, and they spend them on trips. He or she who has pesos saved up takes advantage of spending them on trips. He or she who is rich is always rich. He or she does not have any problems. Generally, inflation is where we suffer, the middle class suffers a lot. We earn a certain amount of money, and some have the ability to save, others not so much. Then the

> lower salaried people or the lower class, who have plans or aid from the government, cannot save. So, they live day to day with what they can afford.

As my family member explains it, the rich get richer, the middle class suffers with more going into poverty and the lower class are those who suffer the most and perhaps have government support. The lower class is obsolete in this instance, they do not have any savings so they cannot partake in economic decisions. Meanwhile, the rich are able to maintain their status because they have all of the opportunities to gain money and save, they are barely losing. The rich will continue to rule and have their opportunities:

> The big businesses and businessmen take advantage of the fact that they always have money coming in. The big businessmen are also guilty of this matter, because the supermarkets, the owners of the supermarkets do not lose. The one who loses is the citizen who cannot buy. When in Argentina there was always an abundance of food, but today you cannot buy it because your money is not enough.

Unfortunately for many individuals, people are unable to buy food, and more people are going into poverty at the expense of the government and big businesses that exploit the economic situation.

7.1.3. Government Policy as a Determining Factor

To further understand Argentina's economic challenges, I had to gather information on government policy and how important it is to their economic system. Both family members indicated that their government is mostly to blame for their inflation:

> The government unfortunately regulates everything. The Argentinian economy is very complicated over the years and the governments have not achieved a solution. Inflation is the great evil that we have today. Economics is key in Argentina, we depend a lot on the countryside and the production of exporting grains, meats, and oil. Everything is tied to the hand of government decisions; they do not allow anyone to export a lot of products because through the government the producer has to charge everything you export in dollars. So, the government manages exports, and imports with a certain control, which sometimes makes it hard for the local economy because as there is a government with few dollars in the Central bank, payment abroad for the goods you buy becomes complicated and that makes all production difficult.

The government's control of exports and imports creates this dynamic of little to any cash flow for the foundation of the economy. The government creates its own problem of limiting producers from exporting and importing which causes markets to fail and prevents money from coming in. It then becomes difficult to pay these outside governments because you do not have enough money from your own system. My family member describes multiple ways the government contributes to inflation:

> How can I tell you that governments have not been intelligent and capable enough to sustain stability? There always was inflation, from what I can remember, the governments of this country have not been able to maintain stability. I suppose it is because of populist governments that go bankrupt, they change, and they go sideways. They do not hold a line or a system, and there is no way to address this issue because the government is the issue. There is a big error in the issuance of

> currency when the government lacks money. What do they do? They print more. They produce it and that is the issue, so there is a little machine making money, and with that little machine, they can cover up the inconveniences that arise. People demand salaries and the government gives them, and also, there is a lot of social protection. There are social groups that receive money without producing, without working, and that is Argentina's big problem, that Argentina spends more than it produces, and the government has a fiscal expense. It is huge, much larger than what it fits, Argentina spends more money than it has, and there it is, that is inflation. This occurs by issuing more currency, not producing profits, and creating a huge external debt that we have, in addition to an internal debt because Argentina has now depended on it in recent years with this recent government's monetary fund.

The government in this instance is unintelligent, and they created the problems that Argentinians face today, their ways of populism have ruined them. My family member mentions the government's efforts of printing more money to solve certain inconveniences, this worsens the problem, their money is now being devalued because of extra pesos being printed. The government hides its faults by printing more money and putting itself in more fiscal debt to somewhat imagine economic growth that does not happen. As a result, individuals in Argentina believe that their government is using them:

> Well, Argentina has had populist governments, and populist governments are demagogues. There is the demagoguery, that is promising many things to the people and not fulfilling it and issuing currency to ruin the economy. There are also, Peronist governments that have made disasters in terms of foreign relations,

> and in terms of the management of the economy. The economy is absolutely ruined for many, many years of the same formula, of conquering people with promises and not fulfilling them and going into debt, issuing currency, promising well-being, and well-being never appears.

In this case, the government is completely to blame, the years of populism and Peronism along with promises that were never fulfilled. This fooled the Argentinian people, and they were used and manipulated for political and personal gain.

7.1.4. Uncertainty between Hope and Pessimism

Due to the economic challenges in Argentina, many individuals are very uncertain about their future. They have pessimistic thoughts about their government and their opportunities in the future, they cannot think clearly because their economy has persistently deteriorated. My family member explains their thoughts on the uncertainty in Argentina:

> I will tell you, that there is always hope, but there is more pessimism, it is bigger. We have a very rich country, and we cannot think there is not any hope, but there are 40% in poverty, so we have to fight so that the 40% of people can recover. It is always there; we do not lose hope. However, pessimism exists because of the governments that come, we do not know how they are going to face this tremendous black hole in the economy.

In speaking for all the people in Argentina, my family member explains it as a double-sided story, there are a lot of people who are hopeful because they want to get out of their terrible situation and help those who are suffering. However, there are pessimistic thoughts because the people have suffered for so long to the point that they are annoyed and exhausted with their economic situation. There is a possibility in the future for these thoughts to diminish:

> Now it is going to change, there will be two political parties left. The one that is now and a new one that could change the entire economy again with another front. It is more liberal, so, according to that, it is the new challenge that we now have in this country of voting for the same people and getting stuck in the same situation. We change to another president or person who has very different economic ideas that could change the measures that are in place today to something else.

With a new election coming up in November 2023, individuals are faced with the challenge of voting someone new into the presidential seat. This could change their whole economy once again, for the better or the worse, they must elect the correct candidate in order to recover. They detail how "voting for the same people and getting stuck in the same situation" is a reoccurring problem, which explains the constant inflation persistence and economic challenges Argentinians face. My other family member dives into the different governments that have been elected:

> Generally, the situation in Argentina is more towards pessimism than anything else because none of the governments have managed to solve it. Maybe some, for example, Macri's government. He has already managed to have a better one. This coexistence with neighboring countries, even with Brazil is a country where we have a lot of economic relations. They have opened the conditions a little more so that the South American zone of grain exports to the United States and Europe has been much better. Then we have the Peronist governments that have made

> disasters in terms of foreign relations, in terms of the management of the economy. Perhaps now the government, if the people vote again for a change, it is possible that there is again some hope for some issues. Let them fix it and we can become a more normal country.

The two examples of differing governments depict the notion that each government's administration can completely alter the economy, Macri's administration helped Argentina, but the Peronist governments did not. Macri's administration's efforts to improve economic relations with South American countries allowed for better trade negotiations and opened the market for producers in Argentina. This is one effort of trying to fix the inflation crisis in Argentina, but now that elections are coming a new official could alter it again, but this time it is more important than ever to elect someone who can change it.

7.1.5. The Dollar versus the Peso

Argentina's currency problem is very complex, and individuals prefer to use the United States dollar bill to save because it is strong, and it does not fluctuate like the peso does. My family member illustrates their saving preferences:

> How can I tell you? Saving is not advisable. Today you cannot save in our peso. I save, but I buy dollar bills. Yes, I do not save in my money because my money is devalued, it loses value every day. If I have leftovers of my money because I was lucky enough to have that money I buy dollars, I buy $100, $20, and $50 bills, which are the only way to save for our future. I do not know what is going to happen tomorrow.

The peso is devalued and becomes increasingly more devalued, so Argentinians have to take refuge in another currency that is strong like the United States' dollar bill. This consensus is seen everywhere in Argentina, individuals save in a foreign currency because they are uncertain of their own currency's value in the near future. Buying dollars is safer than keeping pesos, there are different versions of the dollar in Argentina:

> There is a percentage of people who save in dollars, and they will buy dollars for pesos. There are several dollar values, there is the "blue dollar", which is the street dollar, and then there is the dollar which is called "MEP", which is the dollar that can be purchased through banks for shares. Then, there is the "official dollar", which is the cheapest, but not everyone can buy it because it is limited. It is the government dollar, but since there are not many dollars available you cannot buy it freely.

The United States dollar has different values in different markets in Argentina, each market sets its value, and the people try to find the best possible exchange rate so they can get as many dollars as possible at the best rate. This causes another problem, some people cannot afford the exchange rate, so some people are left out. Fewer people are able to exchange their pesos for dollars which causes more poverty and devaluation of the peso. The government tries to supply an "official dollar" but there is not enough supply, so they have a limited amount to give to the people. People save in dollars because the banks cannot keep up with inflation:

> According to the rise of the dollar, for example, the issue of the banks today is that they cannot adjust the value of the interest rate to the pace of inflation. Bank interest rates always lag behind inflation. If you put money in the bank, it will never be enough to cover the percentage of inflation that exists in that year. It

> always goes down because the banks cannot adjust to the pace of inflation. This creates a problem because banks are also very complicated in the sense that they never lose money, they will always win. So, it becomes very difficult to approach. The thing about banks generally, is savings, those who can save a little take refuge in the dollar, as we said. The money more or less is at the rate of inflation, and the dollar maintains its value. It is a stable currency and the person that can save saves in dollars.

The perpetual lag between bank interest rates and inflation rates contributes to a diminishing value of money stored in banks, compelling individuals to seek alternative means of preserving their wealth. In this context, the U.S. dollar emerges as a stable haven, maintaining its value amid the volatile fluctuations of the Argentine peso. As more individuals turn to the U.S. dollar for stability, the demand for foreign currency increases, further exacerbating the challenges associated with limited supply and varying exchange rates. This intricate dance between the peso and the dollar has far-reaching consequences, especially for those unable to afford the premium associated with acquiring dollars. The struggle to access stable currency becomes a poignant symbol of the economic disparities that persist in Argentina.

7.2. The United States

7.2.1. Financial Stability

I began my interview with the Economics professor with an overall personal experience with inflation, I wanted to see if they have encountered bouts of economic struggle or stability in today's world. They detailed their experience with a more stable consensus:

> So, for my household and I, not much. So even though we have experienced higher rates of inflation, my spending has probably gone up as a result of the rise in inflation, but I have not altered my spending. I certainly have not consciously altered my spending as a result of that. So, for a household like mine, where on any given month we save money, we do not spend all of our income. When we experience higher inflation, we either save less, which is typically what happens, or we alter what we buy and try and save the same amount.

As detailed by the professor, spending, and saving are not a problem because their household does not have any constraints, they feel stable where they are. The only constraint is limiting spending on items where inflation is really high. They alter their spending patterns to save more money, so they do not feel the high effects of inflation. The professor further details his household's status:

> For my household, given that we have older kids out of the house, some older kids who are just transitioning out of college, and one teenager, our spending patterns have not changed very much. So, almost certainly what that means is our dollar spending is going up with inflation, but what we spend our money on has not changed much and certainly has not changed specifically as a result of inflation.

The professor paves a picture of their family's status according to inflation currently and how with these bouts of inflation feel as though not much has changed besides spending extra on certain goods and services. They have the financial safety blanket to spend and save, they do not have any financial constraints, so they can freely spend without any concern.

7.2.2. Financial Struggle and Resilience

I later asked the professor if they experienced high levels of inflation in their life to where they had concerns and problems arise. They detailed their experience by:

> So, honestly, I have only really felt the effects of inflation acutely. Years and years ago when my income was substantially lower than it is now. So, there have certainly been times when I have lived paycheck to paycheck, wherein a period of inflation made it harder to afford the bare necessities. One of the things that goes along with high inflation is that interest rates tend to rise as well. The first car that I bought had an interest rate of about 19%, which is outrageous by even standards back then. But, you know, it is 12%, 13% higher than you would pay now for a car loan. So, wow, those would be the things that probably most pinched.

The professor details their financial struggle from years and years ago when their economic status was lower and lived paycheck to paycheck. With this, they detail that their income was substantially lower, necessities became harder to buy, and even having a car was worth a fortune. The professor details high interest rates to demonstrate how even in the past the rates could be high to where individuals could barely pay their rates but still afford their car. Furthermore, necessary goods are detailed because those are the most important purchases for individuals with low incomes, and having a car with high interest rates shows how it hurts to bear these prices. Additionally, the professor details an instance where they felt the effects of inflation:

> So, there was a time that was 30-plus years ago, when I chose to work for a nonprofit at a significantly lower wage than I probably could have earned if I focused on getting a job with higher wages. In those years when prices rose given

> that I was part of the population that was liquidity-constrained, I made very different decisions about groceries. So, I would buy a lot more generic stuff. You do not buy name-brand stuff, you do not, you eat out a lot less, you buy hamburgers instead of steak. So yes, all of the things that economists talk about, how people respond to higher inflation, those things are true of me. In the period where I was earning far below what my market wage should have been.

The primary struggle for the professor indicated that they dealt with lower wages in the nonprofit sector and how these wages altered their spending decisions and created a concern for food purchases. Moreover, the professor's emphasis on altering spending patterns reflects a common response to economic uncertainty, which was also shown by my Argentinian participants. The need to buy less expensive versions of essential goods and cut back on overall expenditures becomes a strategic approach to navigate through financial hardships. This adaptive behavior is not only a personal anecdote but a reflection of broader economic trends, where individuals when faced with economic challenges, modify their consumption habits to ensure financial stability. The professor highlights their decision-making process in more detail:

> Basically, it goes with what I was saying that when inflation rises it makes it harder to buy everything. But, if prices of the most basic necessities like gasoline go up, you will need a car to get to work, if groceries or rent payments go up those things get more expensive, and you alter your spending pattern. You change what you buy to buy less expensive versions of the goods that you have been buying, and you end up buying less in general of all things because prices have gone up.

The professor's experiences underscore the profound impact that inflation can have on an individual's daily life and decision-making process. When facing a surge in prices, especially for essential goods like gasoline, groceries, or rent, the struggle becomes not just about affording these necessities but also adapting to the changing economic landscape. The professor's narrative highlights the intricate relationship between inflation and lifestyle adjustments. In essence, rising prices force individuals to reevaluate their priorities and make difficult choices. In the grander scheme of the discussion on financial struggle and resilience, the professor's story serves as a poignant example of how individuals, even in the face of economic adversity, showcase remarkable adaptability. Understanding the intricate interplay between personal experiences and economic forces is crucial in comprehending the multifaceted nature of financial resilience. The professor then emphasizes how in their situation they altered their spending patterns because it is a matter of economic awareness:

> But again, the difference for me in that situation versus the average American is most Americans do not take that position voluntarily. For most Americans who face the problem of having to spend all of their money every month to make ends meet that is because of their earning capacity, given the way the market values work. Their earning capacity was limited to what they were earning. Okay, so for me while there were those challenges, I was always conscious of the fact that those were voluntary challenges. I always had the ability to just stop working in the nonprofit sector and go to work in the for-profit sector or go back to graduate school and earn another degree. I was always going to be able to earn my way out of that problem.

As a result, the professor's distinction lies in the voluntary nature of their financial challenges, a stark contrast to the majority of Americans who involuntarily find themselves constrained by earning limitations. Unlike the average American who may be restricted by the market's valuation of their skills and earning capacity, the professor's awareness of their situation was accompanied by a unique agency. They possessed the knowledge and skills to navigate through different sectors, the flexibility to shift career paths, or the option to pursue further education. This voluntariness in the face of financial constraints sheds light on the significance of economic literacy and the role it plays in decision-making. The professor's background in economics granted them a strategic advantage, allowing them to make informed choices about their career trajectory and financial well-being. The ability to foresee alternatives and proactively address financial challenges marks the importance of not just economic resilience but also economic intelligence.

7.2.3. Economic Class Disparities

Since there are class disparities in every economy the professor details the extent to which each class acts in ways that are different from each other. Each class is distinctively different, while some have more economic constraints than others. First, the professor paves a picture of low-income households:

> So, that is typically true of people in society that inflation hurts low-income households worse because they spend all their money. In general, they spend more of their money on necessities, so when the price of anything rises and when the general price level rises, it becomes harder to buy the bare necessities.

This heightened vulnerability is magnified by the fact that low-income households often lack the financial cushion to absorb the shocks of inflation. As prices soar, these households are forced to allocate an even larger proportion of their income to basic needs, leaving little room for savings or discretionary spending, which is expressed by my family members in Argentina. The professor details low-income households in more depth:

> Again, that goes back to what I was talking about, to begin with, where the negative effects of inflation are typically felt more by low-income households. What we would typically call liquidity-constrained households, that is, folks who already struggle to make ends meet.

This persistent struggle for liquidity-constrained households not only perpetuates immediate financial hardship but also has lasting consequences on societal structures. As low-income individuals face heightened economic constraints, their ability to invest in education, health, and other avenues for self-improvement becomes severely curtailed. This, in turn, solidifies the boundaries of economic class disparities, creating a cycle that is challenging to break. Moreover, the professor's emphasis on the term "liquidity-constrained households" sheds light on a systemic issue that extends beyond the realm of individual financial challenges. It reveals a fundamental flaw in the economic structure that disproportionately affects those already grappling with financial constraints. To fully understand each class disparity, I further questioned whether each class has different responses to inflation, and the professor answered with:

> I do not think that there is a universal response, and the response varies by where your family happens to be in the income distribution. High-income families are not that affected by inflation because their cost of living goes up as well, but they are not liquidity-constrained. Most of the time, they will simply spend more on

> the things that they're spending money on. Their earnings certainly in the last couple of years for high-income households have outpaced inflation. While prices are going up, their incomes are going up faster, so it is not a constraint. Their constraint is loosening rather than tightening certainly over your lifetime, but in your lifetime, wages have stagnated at the lower end of the income distribution. So, low-income households are facing flat wages, so there is no wage growth with increasing prices. Their constraint is becoming tighter, so there is no response to high-income households to inflation because their incomes outpace inflation, and they are not liquidity-constrained to begin with. For low-income households, they are liquidity-constrained and are facing tightening constraints, so they are altering their behavior.

This nuanced understanding of the differential impact of inflation on high-income households highlights the intricate relationship between income distribution and economic response. The professor's insight underscores that for high-income families, inflation does not pose the same constraints as it does for low-income households. While high-income households see their constraints loosening over time, low-income households face a tightening financial environment due to stagnant wages coupled with rising prices. This adaptive behavior of low-income households illustrates the resilience and resourcefulness required to navigate economic challenges. However, it also highlights the inherent inequalities ingrained in economic structures, where certain households face continuous constraints while others experience a more favorable economic trajectory. The professor adds more on the decision-making process of low-income households and also provides information on middle-income households:

> For low-income households, they are buying less; they are buying cheaper. We have seen more households during high inflationary periods go to food pantries and soup kitchens to minimize the impact on their spending. Then for middle America, it is sort of a mixed bag. For most middle Americans, they see the high rates of inflation, they see the high cost of gasoline, and feel that when they go to the pump, they tend to alter their driving patterns to the extent that they can. But what that means is that they are altering their driving patterns for discretionary trips. But most of our trips on a day-to-day basis are discretionary, we get up and drive to work. You could take the bus instead, but historically, the increase in transportation costs has to be substantial before people are willing to switch transportation modes, like going from private cars to mass transit.

While these community resources provide a vital lifeline to low-income households, they also serve as a stark reminder of the persistent economic disparities that leave certain segments of the population vulnerable to the fluctuations of the market. Turning to middle America, the professor paints a nuanced picture of altering the driving patterns for discretionary trips, which strategically mitigates the impact of rising transportation costs, revealing the interconnected nature of economic decisions. This resistance to significant changes in transportation modes exposes inertia in everyday decision-making, emphasizing the threshold at which individuals are willing to adapt their lifestyle amid economic challenges.

7.2.4. Fear, Shame, and Anger as Emotional Responses

Some households feel as though fear, shame, and anger fuel their economic decisions and discomfort, the professor precisely draws this image amongst low-income households:

> For the households that are facing tighter constraints, they find it harder to make ends meet and to provide for themselves and their families. I do not think there is any question that the emotions they feel are things like fear, There is certainly some amount of shame too. If you cannot provide for your kids who are going off to school, if your consumption does not keep up, or if you cannot keep up with those in your social circles, I think there is certainly an amount of embarrassment there.

Limited resources and constrained opportunities fuel frustration, fear, and shame, leading to discomfort—an additional layer in the emotional complexity of economic adversity. Recognizing these emotional responses is pivotal for understanding the challenges low-income households encounter. Fear, shame, and anger not only mirror the immediate impact of economic constraints but also shape decision-making and coping strategies, offering insights into the resilience required to confront economic adversity. Examining the emotional dimensions of economic struggles prompts reflection on broader societal structures and policy impacts on individual well-being.

> The big one is fear because during periods of high inflation, they are also followed typically by a period of recession, and in recessions, the job loss is worse among low-wage workers than it is among high-wage workers. So, you are facing this period of high inflation, and what you are worried about facing next is a period of unemployment. So, you are going to not be able to make ends meet. You typically are going into more debt in order to make ends meet and then you are likely to follow that with a period of unemployment where you cannot afford to pay your debts, let alone pay your living expenses at all and pay off your debts.

> So, fear and then anger because I think today people are angry about a lot of things, and people have generally always been angry with the government when inflation is particularly high because they blame inflation on the government.

This fear is often followed by anger, a sentiment deeply intertwined with societal frustrations. In times of economic uncertainty, anger tends to be directed at the government, perceived as a causal factor in high inflation. Today, amidst various societal concerns, anger persists, and economic challenges contribute to the discontent with government policies. Understanding the progression from fear to anger provides insights into the emotional journey of individuals navigating economic adversity.

7.2.5. The Post-COVID Economy

I wanted to gain an academic perspective on how the professor would characterize the key economic challenges and trends in the United States in recent years with inflation and they responded with:

> Well, for years our inflation was held artificially in check and in the last couple of years we have seen rising inflation. Particularly, as we came out of the COVID-19 recession, prices have started to rise much more substantially.

The professor details the effect of COVID-19 on the economy and how inflation has risen due to the pandemic. They highlight how prices have risen and how before COVID-19 we did not see much fluctuation with inflation. The professor continues by detailing the United States economy after COVID-19:

> There has been a debate, much more the purview of professional macroeconomics and microeconomics about whether the U.S. economy could achieve a soft

> landing like a cut or a reduction in inflation without suffering a recession in the process. I think it is still a little too early to tell whether we will hit that soft landing, but so far it seems like price increases have certainly stopped rising so fast. Also, we have seen some decrease in core inflation recently, and yet we have not seen increases in unemployment or decreases in employment in the process.

As the professor navigates through this economic landscape, it becomes crucial to understand the potential implications of achieving a soft landing or the challenges that may arise in the process. The debate within academic circles hints at the complexities involved, and continued monitoring of economic indicators will be necessary to gauge the success and long-term effects of measures taken to address inflation and the problems it brings. Furthermore, the professor highlights the current state of the economy:

> We have not hit a recession. When we were experiencing very high rates of inflation there were still a lot of people who did not return to work in the post-COVID-19 environment. So, for a lot of these households that became critically important. They were struggling and they were struggling before. They were certainly struggling when prices started to rise but those pressures are lesser today than they were a year ago.

While the debate on achieving a soft landing persists, the professor's observation that the U.S. has not experienced a recession despite rising inflation sheds light on the remarkable resilience of the economy. In the aftermath of the COVID-19 pandemic, when inflation soared and economic uncertainties abounded, concerns loomed over the potential for a recession. However, the professor notes that, so far, the economy has avoided a downturn.

7.2.6. Developed versus Developing Countries

I wanted to gain an academic perspective to see if the professor would know anything regarding inflation in the United States compared to Argentina, and the professor replied with:

> What I know generally is that historically, inflation in the United States is much lower than it is in Argentina. Argentina has faced bouts of hyperinflation much more recently than the United States has, so, I guess other than that, those are the things that I have heard.

The professor's response provided an overall general insight into how Argentina's economic struggles are perceived throughout the world, even with little to any knowledge of Argentina's economy, the professor understands that Argentina has faced bouts of hyperinflation. To build off the professor's response, I wanted to learn about the professor's perceptions of a developed country like the United States versus a developing country's inflation like Argentina:

> There are a bunch of reasons, for instance, developing countries have to import a lot of capital goods to manufacture things. So historically, the market value of primary goods falls relative to the market value of finished goods or manufactured goods, or capital goods and as this happens the goods that the developing countries are selling are lower in value. The goods that they are importing are higher in value, and higher in price. So, the costs of importing them are going up and those costs get pushed onto consumers which becomes higher. The cost of production goes up and therefore those costs get passed on through supply and demand models like when there is a decrease in supply. That causes a general increase in the price level, so in part, it is a declining term of trade issues.

The professor outlines one key aspect: the challenge faced by developing countries, particularly those heavily reliant on importing capital goods for manufacturing. The declining term of trade, as elucidated by the professor, becomes a pivotal factor influencing inflation dynamics, which agrees with the statements made by my family members in Section 7.1.3. As developing nations find themselves in a position where the market value of primary goods diminishes relative to finished or manufactured goods, the consequences reverberate throughout their economies. Importing capital goods at higher prices adds to the costs of production, a burden that ultimately trickles down to consumers. Furthermore, the professor hints at the supply and demand dynamics, indicating that increased costs of production can lead to a general rise in the price level. They then detail another problem:

> The other thing that frequently happens in developing countries that is less likely in developed economies is that developing economies are much more likely to print money, like literally turning on the printing press and printing more dollars or pesos, whatever the national currency is and that is inflationary. You have more dollars or more currency chasing a limited number of goods and that drives inflation on the demand side. So, you got the worst of both worlds.

In developed economies, such as the United States, the practice of indiscriminately printing more currency is less common due to established monetary policies and financial mechanisms. This distinction becomes a key factor in understanding the divergent paths of inflation between developed and developing nations. The professor’s statement about continuously printing money aligns with my Argentinian participants’ statements as well in Section 7.1.3. The printing press is a key factor of inflation in Argentina and the professor demonstrates this based on developing countries. Additionally, the professor's insight into this practice emphasizes that increasing the money supply without a corresponding increase in the production of goods leads to demand-side inflationary pressure.

> One other thing is that in a lot of developing countries, the political power, particularly the president or the prime minister as the dominant national political power figure has influence, if not direct control over the money supply. They use their political power to a political advantage by giving people the illusion of more money, by turning on the printing press and printing more money. But that illusion is quickly dashed, but it is often used for short-term political gain in the next election cycle.

The professor details how printing more money in developing countries is particularly a political decision by the current president or prime minister. This can be seen in Argentina's different governmental reigns, which is also described in my interviews in Section 7.1.3. This view sheds light on the importance of electing the correct officials for political power, not just officials who use populism to gain votes and not act correctly on their economic decisions. To go along with this, the professor adds the importance of the Central Bank in developing countries:

> Typically, there is less political independence, so they do the bidding much more on the ruling of their political party and their president. So, monetary policy is much more uncertain in that environment and that uncertainty creates greater volatility in the markets, both the financial markets and also in the real economy. You have much wider swings, much more frequent swings from recession to growth to recession to growth to inflation thrown in there as well.

The professor details the political independence of the Central Bank because it proves how the officials in charge of a developing country usually use their populist motives to shift the economy without using a team of people to contribute to combatting the inflation crisis. This is demonstrated by my Argentinian family members in Section 7.1.3, when describing their government as a determining factor. With each presidential reign, each individual contributes to the "wider swings" of the economy. Furthermore, the professor details the Central Bank's political independence in the United States to offer a comparison:

> The Central Bank is fairly politically insulated, and the terms of the board chair, the Federal Reserve chair, and the governors on the board are long enough. They span multiple presidential administrations, so that is intentional to shield them from political pressures and to respond to the political pressure of a particular party or the president. So, our Central Bank has a fair degree of independence from the political process.

This view of the United States' political insulation demonstrates how there are levels of individuals who contribute to the Central Bank. These individuals are then politically insulated because they will have less turnover with differing presidential campaigns. This boosts economic growth because individuals can continue to create efficient policies without any political interference or agenda.

8. Limitations

While this qualitative study provides valuable insights into the socioeconomic impact of inflation in Argentina and the United States, several nuanced limitations warrant consideration. For instance, the small sample size, comprised of two family members from Argentina and one Economics professor from the United States, raises concerns about the transferability of findings to broader populations within these countries. Adding more participants allows for more perceptions and creates more themes and ideas. Furthermore, the recruitment process, grounded in familial connections, introduces the potential for sampling bias, as family members may share similar experiences or perspectives, potentially limiting the diversity of viewpoints. The reliance on a single expert perspective from an Economics professor, while informative, may not fully capture the diversity of economic thought within the United States, potentially skewing the analysis towards a specific academic viewpoint. Likewise, the study's exclusive use of qualitative data, although providing in-depth insights, lacks the statistical robustness of quantitative approaches, making it challenging to draw broad and comparable conclusions. This study allows researchers to understand lived experiences and relevant themes that cannot be shown in a quantitative study. However, the qualitative study presented in this paper does not establish statistical proof or formulate specific theories regarding the extent to which the economies of Argentina and the United States have either positively or negatively impacted individuals. Thus, a quantitative study could further explore and quantify the economic impacts on individuals in Argentina and the United States, providing numerical insights into the extent of the effects on their well-being and financial stability. Additionally, variations in interview formats, such as online interactions for family members and in-person interviews for the Economics professor, may introduce subtle variations in participant comfort and openness, potentially influencing the richness of responses. Moreover, the study's multilingual nature, conducting interviews in both Spanish and English, may introduce language-related biases and hinder a precise understanding of participants' perspectives. These considerations underscore the importance of interpreting the study's findings with caution, acknowledging the inherent complexities and potential biases associated with the chosen methodology.

9. Conclusion

In this exploration of the impact of inflation on individuals and economies in Argentina and the United States, the disparities between these two nations have become evident, revealing unique challenges, and coping mechanisms within their distinct historical contexts, through the literature and my interviews. The literature on inflation in Argentina, characterized by a wealth of critiques and potent narratives, contrasts with the relatively sparse literature on the United States, reflecting the different economic challenges faced by both countries. Furthermore, the narratives from individuals in Argentina and the United States paint a vivid picture of the varied emotional and economic responses to high bouts of inflation. With a history of persistent economic struggle and adaptation, my Argentinian interviewees express sentiments of anger, shame, pessimism, and uncertainty. In contrast, the interviewee in the United States exhibits a spectrum of emotions from certainty and strength to resilience, reflecting a more stable economic environment. With this in mind, the experiences stated by the Economics professor in the United States further emphasize the resilience of a prospering nation with a strong currency and intelligent economic policies. The professor's experiences stand in sharp contrast to the perpetual challenges faced by my family members in Argentina, who have learned to adapt to the constant persistence of inflation throughout their lives.

This comparison illuminates the urgent need for change in Argentina. As someone with a personal connection to the country, having visited on multiple occasions, and having family residing there, the hope for a more stable economic future resonates deeply. The uncertainty felt by Argentinians regarding their government and country emphasizes the necessity for reform, assistance, and hope. Looking ahead, the future of Argentina holds potential for positive change with the advent of a new presidential reign of Javier Milei, who won the December 2023 presidential election as a right-wing libertarian economist who believes in reducing government spending and bureaucracy while maintaining the U.S. dollar in the economy (Nicas, 2023). Milei is seen as a Trump supporter and his policies are rooted in laissez-faire economics and libertarian principles (Nicas, 2023). He advocates for minimal government intervention in the economy, supports freedom of choice in various personal matters, and has proposed a sweeping overhaul of Argentina's fiscal policies (Nicas, 2023). Internationally, he seeks closer ties with the United States and Israel while distancing Argentina from China (Nicas, 2023). This strategic realignment reflects his vision for Argentina's place in the global economy. The nation's challenges require not just economic solutions but also a renewed sense of confidence and trust in governance, which Milei brings to the table now that he is in charge (Nicas, 2023). As we anticipate developments in both Argentina and the United States, it is my devout hope that Argentina, with its rich history and resilient people, can embark on a path toward economic stability and prosperity. The experiences shared in this study serve as a call to action to policymakers, academics, and people from other countries, to support Argentina and consider personal dimensions of inflation, and implement strategies that not only address economic issues but also restore the faith of the Argentine people in their nation's future.

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