

The fact that eminent scholars can draw different conclusions from similar data is, of course, not surprising. We are dealing with extremely complex matters. There are innumerable ways of specifying the basic models as well as of fitting data. No one can or should be convinced purely by past statistical results. One must be convinced by the underlying theories and by the ability to use the concepts in arriving at useful predictions and policy judgments.

Conclusion

My conclusion from this analysis is that a flexible package of policies based on forecasting should not be replaced by a single policy. As economists we must continue to examine theories new and old, but we ought not, without greater cause than we have yet been shown, abandon the system of analysis which looks at numerous variables and considers as relevant for policy the entire broad structure of our economy. It seems to me, on the evidence to date, that no policy based only on the control of the money supply will suffice.

While important contributions have been made to economic research to show that "money does matter" in determining the course of the economy, that is a far different thing from claiming that "only money matters," and the policy prescription to which it leads is entirely different. Policy based on a broader, more complete analysis should in my opinion lead the economy to more success in achieving the goals set for it.