

Paul Krugman - New York Times Blog

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Blame The Pundits, Too

Still Reinhart-Rogoffing; I think it's important to be clear that R-R aren't the only ones at fault here. In particular, the people who cited their work don't have the right to claim innocence, because how could they know that they were being given bad data?

The fact is that R-R was controversial right from the beginning; and very early on, although we didn't know about the coding error, we knew that they had made a major blooper by citing the US contraction after World War II as an example of debt overhang, when it was actually just postwar demobilization. That should have made everyone suspicious from the start.

Yet the VSPs not only grabbed hold of the alleged result, they wrote again and again as if this highly disputed claim was a known fact. Thus just a few months ago the Washington Post, attacking those who wanted to reduce the focus on deficits, wrote,

If [debt projections are] even slightly off, debt-to-GDP could keep rising — and stick dangerously near the 90 percent mark that economists regard as a threat to sustainable economic growth.

Not “some economists”, let alone “some economists who have been sharply criticized by other economists with equally good credentials”, but “economists”.

This is deciding what you want to believe, finding someone who tells you what you want to hear, and pretending that there are no other voices. It's deeply irresponsible — and you can't blame Reinhart-Rogoff for that mistake.

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