

# Helicopter money could help in migrant crisis

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Sir, In his response to John Kay's piece, Eric Lonergan (Letters, May 20) asked why the use of helicopter money has not started. My take is that this type of money is already used in many European countries. Implicitly, helicopter money, by definition, is assumed to apply to the indigenous population.

Though, for the expected positive outcome it should not matter if the money instead—as in the present cases—is spent on newcomers, the migrants. Today we are witnesses to how money printed, borrowed from abroad or taken from money reserved for use abroad (foreign aid) is spent to feed, lodge and provide migrants with a decent standard of living.

This comes very close to the original meaning of helicopter money and has indeed been shown to boost gross domestic product, increase inflation and lower unemployment in the indigenous population. Sweden, with its high per-capita arrival of migrants in the European context, is a good example.

Hence, when the humanitarian aspects are put at the forefront and the costs of the monetary policy experiment become an issue for a distant future, the European Central Bank should consider the use of helicopter money as part of a solution to the deadlock among member states regarding the migration issue.

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