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THE ROAD TO A SINGLE WORLD
FIAT CURRENCY
by Thorsten Polleit

QUANTITATIVE EASING TO INFINITY AND BEYOND
by Robert Aro

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4 From the Publisher

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QUANTITATIVE EASING TO INFINITY AND BEYOND
BY ROBERT ARO


27 A Tribute to Yuri Maltsev

29 Student Spotlight—Baker Elkins

32 Mises Club Carolinas

34 Mises in Tampa

36 New Books

37 Mises Media

38 Upcoming Events
From the Publisher

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Money is among the most important forms of technology. It solves the fundamental human problem of barter and allows us to transfer value across geography and time. By enabling efficient trade—and thereby profit and capital investment—money has been as critical to human development as fire and the wheel.

This money technology arose in the marketplace, without design by central authorities. Carl Menger explained the origin of money as the most saleable commodity. Ludwig von Mises explained its value as flowing from an earlier nonmonetary use. And for centuries gold was used worldwide as a stable form of payment.

Yet today money is dominated by politics. One of the great tragedies of human history is the commandeering of money by kings and governments to serve their own purposes. Fiat money—which is to say political money—operates as an instrument of state power rather than a product of the marketplace. Money today requires “policy,” in the form of politicians and central bankers to run it.

This political money is at the heart of our economic problems.

Perhaps our most important job at the Mises Institute is to help intelligent lay audiences understand and fight political money. To that end we offer a brilliant new book by Dr. Thorsten Polleit, a Mises Institute associated scholar and an influential German economist. The Global Currency Plot is a tour de force in a very compact and readable form, and we’ve excerpted some of the most compelling chapters here (you can read the entire book at mises.org/plot).

This book is nothing less than a mini course in Austrian economics applied directly to the present-day reality of 2023 politics and the global economy. It covers everything from logic, human action, money, the state, democracy, and socialism to bitcoin and central bank digital currencies. But the author’s summary is a nice encapsulation of the book:

“Ultimately, it is ideas (or theories) that guide people’s actions. Ideas determine what is considered good and evil, just and unjust, feasible and impossible. However, human action will only be successful if the ideas that guide it are compatible with the laws that undoubtedly exist in the field of human action. It is therefore crucial to change the ideas prevailing today if the dystopia of a political world currency and a world state is to be prevented. This requires putting the dominant ideas to the test in a rigorous intellectual discourse and, if they do not withstand critical examination, debunking them and rejecting them as false.”

We are enormously excited to bring you this book and hope you will recommend it to anyone interested in the fight against monetary hedonism. The Global Currency Plot not only debunks the disaster economics of a centrally planned worldwide system of “democratic” socialism, but explains its utter incompatibility with human nature and human reason.

We’re in a war, and Dr. Polleit provides us with ready ammunition.

Also in this issue, David Gordon reviews a brand-new biography of the late Supreme Court Justice Antonin Scalia, Scalia: Rise to Greatness, 1936–1986, taking a fresh look at his legal thought in the process. Fans of the Mises Institute may have mixed feelings about “Nino,” who, in the more radical Rothbardian sense, surely was imperfect in his broad understanding of constitutional liberty.

And yet Scalia in many ways personified a far better strain of American judicial temperament than we are likely to see again, one suspicious of state power and reluctant to expand the court’s jurisdiction. His interpretative doctrine of text-based originalism, which sought to apply the plain meaning of statutory text rather than conjure up the nebulous “rights” and penumbras desired by lawmakers, was a needed check on judicial grandiosity. He helped blunt the worst excesses of the Warren court and gave hope to a new generation of legal scholars who argued for restraint rather than activism. And Scalia’s bombastic personality, explored at length in this biography, provides great insights into his development as both a jurist and a man. But you’ll have to read David’s review to decide if the book is worth your time.

Finally, we wish to thank each and every one of you for subscribing to The Austrian and supporting the Mises Institute in the process. It is proving to be an exciting year, and we hope you will join us both online and at live events in 2023.
What if the world’s states were to come together and create a single world currency? From a purely economic point of view, there would be significant advantages if every nation didn’t operate with its own money but with the same currency. Not only for an individual economy, but for the world economy as a whole, the optimal number of currencies is one. Let’s take a look.

The decisive factor is how this single world currency comes about, and who issues it. In a free market for money—in a natural process—a single world currency would emerge from the voluntary agreements of the market participants: the money demanders would decide which commodity they want to use as money. It is impossible to predict with certainty what the outcome of the free choice of currency would be; after all, it resembles a discovery procedure whose outcome is not known in advance. However, it can be assumed that a commodity currency would be created, that gold or possibly a cryptounit would be chosen as the money base.

However, if states monopolize money production, a single world currency cannot develop through voluntary decision-making. In 2023, several national fiat currencies coexist. But this is not a stable equilibrium. Rather, here too, there is a tendency to create a single world currency—because it is optimal for everyone in the world to trade and calculate with the same currency. This is what democratic socialism takes advantage of.

Creating a single world currency is a means to an end for democratic socialism. Its adherents recognize that a single world state cannot be established directly. The national resistance that would have to be overcome is too great. The detour, the indirect way, by which democratic socialism can achieve its goal is by creating a single world currency under state control. The eurozone can serve as a “model” for this process. We’ve seen nations voluntarily give up their monetary sovereignty and accept a single fiat currency that is issued by a supranational central bank. Within the eurozone, money is no longer controlled by individual national parliaments.

The shared euro currency creates major problems in and between the participating countries. But the forced euro marriage has not yet been through the “divorce courts” because of the high costs of a euro exit and also because the democratic socialists fight any attempts to withdraw from the euro with all political means available to them. The problems created by the single currency are increasingly forcing participating countries into communization. As part of the eurozone, some nations must pay for the national debts of others, and the cost of saving ailing banks from collapse is borne by all taxpayers and money users.

Creating a single world currency is a means to an end for democratic socialism.
All of the problems of imposing one fiat money across many nation-states only became apparent after the euro community was locked into place—the potential problems received little or no attention beforehand. From the outset, it was not economic rationality that inspired the euro, but political endeavors that can be traced back, unsurprisingly, to politics, namely the ideology of democratic socialism. The end of national monetary sovereignty and the adoption of the euro were promoted in public by emphasizing the peace and prosperity effects of a single currency.

In light of the experience gained with the “euro experiment,” the question arises: What are the consequences of creating a single fiat world currency? A state-controlled world currency would bring with it all the negative characteristics and problems of national fiat currencies, and it would cause economic, political, and cultural damage that would eclipse that from national fiat currencies.

What every single state that has fallen victim to democratic socialism wants is also what a community of states wants: to control the production of money and to expand the money supply at will in order to secure and expand its rule. It is a logical step for the states to merge their own fiat currencies into a fiat world currency—especially for small and medium-sized states, whose financial leeway is considerably increased as a result.

The fact that a fiat currency and not a commodity money has been chosen is virtually self-explanatory: the national currencies are already fiat money, and fiat money is the type of money that states prefer because it can be multiplied at any time and in any quantity at the lowest cost.

If the national states agree to accept a single fiat currency issued by a world central bank, then the money users will no longer have any choice or escape options. They will be at the mercy of a fiat world money. The world central bank will not have to fear that dissatisfied users of its money will “migrate” to other currencies because there will be no other currencies anymore. And because the single fiat world currency will have no competition, it will also become a plaything of political interests. Above all, the states will encourage the world central bank to pursue a monetary policy through which they can finance themselves as cheaply as possible with credit.

After all, debt financing is particularly attractive to every state: the possibility of easy borrowing is a very important motive for states to adopt a fiat world currency. Unlike with taxation, savers usually give their money voluntarily to the state, because they expect it to be repaid to them plus interest. A world central bank has a free hand to set the market interest rate as it sees fit. It does not have to fear that capital will migrate away from an extremely low market interest rate—after all, the interest rate that it determines will prevail all over the world.

A single currency will put governments in a favorable position to buy votes.
A world central bank, which has a monopoly on the fiat world money, facilitates the worldwide debt economy to an extent probably still unknown. The relatively bad state debtors—i.e., those who have so far only been able to finance themselves at relatively high interest rates—particularly benefit from a single fiat world currency. If there is only one currency left in the world, there will be a single large, transparent, and liquid capital market in which there will be no exchange rate fluctuations, which helps to reduce credit costs. The improved debt opportunities in such a market favor the expansion of state influence and thus promote the nationalization of the economy and society.

A single currency will put governments in a favorable position to buy votes. The states will lure voters with money, and more and more citizens and entrepreneurs will become transfer recipients and beneficiaries of the state. They will benefit from state-financed jobs, social benefits, and contracts. States’ involvement in economic and social life will increase. The culture of collectivism will be promoted, and individualism will be repressed. What is left of the free market economy will inevitably give way to a command economy in which states play a decisive role in determining who produces what, when, and where. Although this transformation is already progressing under national fiat currencies, it will be uninhibited under a global fiat currency.

With a single fiat world currency, it will be possible for a world central bank to set an artificial boom in motion worldwide and to protect itself from a bust for a long time. Thanks to the global currency, the boom will affect all the world’s economies: the prices in all labor and factor markets will be distorted—after all, there will no longer be any exchange rate movements between the economies that could shield a region from the monetary policies in other regions; all economies will thus be “monetarily aligned.” Companies and investors will continue to favor some regions of the world over others, just as investors in the eurozone see the “northern countries” as less risky than the “southern countries” and the “northern countries” continue to be the most attractive region for investors within the eurozone. If, however, the economic developments of the participating nation-states vary too much, the world central bank can be expected to take political countermeasures: it will support weaker countries. For example, it will buy
up weak countries’ government and bank bonds; the eurozone’s many “rescue policies” are an example of this eventuality.

In this way, the world central bank will weaken or eliminate the market’s remaining corrective forces, which could put an end to the boom. The boom set in motion by the world bank will therefore be able to last a long time. However, the longer the boom lasts, the greater the damage (overconsumption and bad investments) will be. And the longer the boom progresses, the greater the costs of the corrective crisis will be, which will intensify the political incentives to keep the boom going by any means—after all, states shy away from recession and unemployment and the associated social and political consequences.

In order to avert the corrective crisis, the states will continue to intervene in the market with bans and prohibitions, laws, price controls, subsidies, and labor and expenditure programs. Above all, however, they will make use of the world central bank. If it is politically desired, the world bank will keep any stumbling debtor afloat with newly created money and delay the arrival of the crash. This leads to the question: Will a single fiat world currency be more inflationary than national fiat currencies? The answer is yes.

States’ primary goal with a single fiat world currency is to be able to pursue a controlled inflationary policy with as little punishment as possible. Controlled inflation benefits states and politically connected groups.

However, even under a uniform fiat world currency, there are limits to inflationary policy. The world central bank does not have to reckon with the fact that money users will switch from its fiat money to other currencies when inflation is high, as there will be no other currencies left. But if the inflation of the fiat world currency is too high, its users will lose confidence in it. In an extreme case (hyperinflation) people will start to escape from the fiat world money by taking desperate measures. They will no longer want to use the money at all, and this could seal the fate of the fiat world money.

Of crucial importance for the inflation of the fiat world currency is which forces gain the upper hand in the decision-making body of the world central bank. There are two possible scenarios. In the first case, the governments of the states have a direct influence on the world central bank. In democracies, rulers are known to have short-term goals: their power is only temporary. Therefore, they are anxious to maximize their income during their term of office. Those in power do not participate in the long-term prosperity of the community and consequently have no great interest in making decisions that maintain or increase its net present value beyond their term. In other words, the cow is not milked but slaughtered. Inflation will be comparatively high in this case.

In the second case, the decision-makers on the council of the world central bank are closely connected to those in the financial sector and big business. Such a world central bank council’s interest is that its “product,” its currency, remains permanently marketable. It will not frivolously jeopardize the world currency by implementing an exaggerated inflation policy. The world
central bank council would therefore not want to slaughter the cow but milk it for as long as possible. In this case, an oligarchic democracy will prevail in the world central bank council.

In this scenario there is a high probability that the world central bank will above all serve the special interests to which the council oligarchs are closely linked (these are, of course, big banks and big businesses). The interests of the general public take a back seat and are only taken into account if they do not jeopardize the continuation of the world central bank's special-interest monetary policy. The world central bank will therefore endeavor to keep inflation from becoming too high so that the population does not become dissatisfied and rebel.

Under a self-referential oligarchic democracy, in which councilmen recruit their own successors, the fiat world money is even granted a particularly long stay. The oligarchs will make every effort to ensure that the fiat world money system can continue to exist for as long as possible, that crises, when they occur, are tackled in such a way that the fiat world currency does not suffer and a “flight from money” is avoided.

In view of the overindebtedness problem that fiat money necessarily creates, we cannot exclude the possibility of negative interest rates. Under a policy of negative interest rates, the central bank might set the interest rate at, say, −4 percent per year. This means that a bank balance of €100.00 is reduced to €96.00 one year later and after ten years is only €66.48. What harms the saver benefits the debtor, who makes a profit by taking out a loan! Savers and investors will not tolerate this. Wishing to avoid the losses, they will go to the bank and demand that their assets be paid out in cash and coins. Therefore, as long as there is cash, the effectiveness of a negative interest rate policy is limited.

However, a world central bank can easily enforce the abolition of cash by shutting down cash production. Without cash, the money is “trapped” in bank accounts and can no longer be withdrawn from the banking sector. The negative interest rate policy can then be implemented unchecked. Money holders no longer have the opportunity to evade the devaluation of money and savings. Individual states welcome the abolition of cash for another reason: they will be able to track the financial dispositions of citizens and companies, who will only be able to make payments electronically: banks will be required to provide full information on the payments and financial assets of bank customers at all times. As a result, the taxation possibilities of states will be increased immensely.

As long as there is still cash, there are limits to taxation: if market participants feel that the tax burden is too high, they can carry out their transactions anonymously with cash. This in turn encourages states not to tax citizens and businesses too heavily. But when the taxpayers no longer have this alternative because there is
no more cash, the political reluctance which still stands in the way of increased taxation in a world with cash decreases. And if the financial privacy of citizens and businesses is lost, states can easily subject citizens and businesses to full monitoring.

A global central bank will undertake the supervision of the banking and financial sector. It will want to prescribe how commercial banks operate; for example, what liquidity and capital requirements they must meet and how they must assess their credit risks. The world central bank will also want to decide whether and under what circumstances failing banks will be aided or allowed to close. The right of national governments to have their say will increasingly dwindle in favor of the supranational world central bank and supranational supervisory authorities and bodies. The consequences will be far reaching.

The pressure for a body of regulation to which all banking and financial enterprises are subject will increase—and will come from the large and powerful interest groups. National or regional peculiarities will not be taken into account if the large and powerful interest groups have asserted themselves in the political negotiation of the regulatory provisions. For many small countries, this will force far-reaching adjustments—not only in their banking and financial economies but also in their production structures. There will be winners and losers in this process: adjustment costs will be higher for some regions and lower for others. This will create conflicts of interest between the nation-states.

A fiat currency used by people in many countries will fuel further conflicts. It is well known that the expansion of the money supply means that a few are made better off at the expense of many others: the first recipients are the beneficiaries, the late recipients, the disadvantaged. This is already resulting in disputes in nation-states that are relatively homogeneous in terms of culture, language, and tradition. The conflicts over redistribution will become even more acute when the effects of redistribution are felt across borders, when people in one country realize that they are being bled in favor of people in another country.

A world central bank has a free hand to set the world interest rate at will. Not only can it keep it artificially low to set a boom in motion and keep it going for a long time, but it can also bring about a negative world interest rate, a political “solution” to the overindebtedness problem caused by a fiat world money. Another motive for forcing world interest rates into negative territory is the democratic socialists’ desire to better steer and control the economy and society, or to shatter what is left of the free market economy.

The fact that this is possible with a negative interest rate policy becomes apparent when one considers the consequences of a negative interest rate for the credit market. Commercial banks receive credit from the world central bank at, say, −2 percent, on the condition that they lend the money to consumers and companies. If they borrow €100 at −2 percent and lend the money at −1 percent, their profit is €1. Under these circumstances the demand for credit grows enormously: after all, everyone wants to profit from the negative interest rate loans.

The world central bank must ration the loans so that the creation of credit and money does not get out of hand. It is no longer the market interest rate that balances supply and demand, but the world central bank, which gives a certain

It is downright absurd to think that a world state with its own fiat world currency would not sooner or later mutate into a totalitarian tyrant.
amount of credit and allocates it. But what
criteria should be used to allocate the loans?
Should all those who ask for loans get them too?
Or should labor-intensive economic sectors be
preferred? Or should the loans go only to sunrise
industries? Or should weakening branches of
industry be supported with additional loans? Or
should the south get more than the north?
The world central bank has a decisive influence
on who can finance and produce what, when,
and where. Like a central planning authority,
it—or the interest groups who control it—
determines the fate of the economies in all
the regions of the world: which industries are
promoted or pushed back; which economies
grow stronger and which weaker; which banks
are allowed to survive in which countries and
which are not. *Welcome to the centrally planned
economy!* However, a negative interest rate
policy would not be possible in the long term; it
would lead to the end of the division of labor in
the economy.

First, lowering the interest rate inflates the prices
of existing assets: stocks, houses, and land—
everything becomes more expensive. The lower
the interest rate, the higher the present value
of future payments and thus also the market
prices of the assets. The speculative bubble,
which is inflated, initially provides investors with
high returns. At the same time, the outlook for
future returns deteriorates. The reason? Zero and
negative interest rates cause the prices of stocks,
houses, etc., to rise until the expected yield that
these asset classes promise has approached the
low or negative interest rate set by the central
bank. In extreme cases, the expected market
returns will fall to or even below the zero line.

But once the world central bank has pushed all
returns to or below the zero line, the free market
economy (or what is left of it) is on the verge of
collapse. Without a positive market interest rate,
without the prospect of a positive return, saving
and investing cease: after all, every consumer
and entrepreneur has a positive originary interest
rate. And when there is no more return to earn,
there is no more saving and investment, only
consumption. The economy based on the division
of labor comes to a standstill. Replacement and
expansion investments fail to materialize, capital
consumption begins, and the modern economy
falls back into a primitive subsistence economy.
An extreme example. Or is it?

The very process by which the world central
bank lowers the world market interest rate to or
below zero (something it can do as a monopolist
of money production) is extremely problematic.
It artificially pushes people’s time preferences
up. As Friedrich Nietzsche put it, there is a
“revaluation of all values,” a devaluation of the
future. The here and now is made even more
important than tomorrow. The consequences
are far reaching. Life on credit is promoted. The
virtue of thrift goes out of fashion. “Permanent
debt” becomes morally acceptable. Achieving
short-term goals becomes more important
to people than achieving longer-term goals.
The willingness to achieve decreases, because,
compared to the disutility of labor, leisure time
rises even higher in value. Divorce also becomes
more attractive as a “solution” to marital
problems; efforts to overcome relationship
difficulties are increasingly shunned. The quality
of education suffers: if the here and now is so
important, then we will also spend less time
cultivating and maturing for the future. Morals
decay: consideration and manners are costly
activities in interpersonal relationships and
often only pay off in the long term. Aesthetics
degenerate: it is easy for passing fads to find
buyers; breaking away from “proven classics” is
made easier. A world central bank that issues fiat
money has decivilizing consequences worldwide.

The idea that states could remain sovereign
and independent once they participate in
the fiat world money system is illusory. If the
same money is used in different countries, this will help to make the best possible use of the efficiency potential offered by the international division of labor. The commodity and factor financial markets of the national economies will increasingly dovetail. And the closer the ties between those markets, the stronger will be the incentive of the nation-states to surrender sovereignty to supranational authorities. This applies both to economically good times—then the willingness to share, to make compromises, is relatively high—and to economically bad times—then a way out of the economic problems is seen in moving closer together, in jointly pursued “emergency policies.”

A fiat world currency promotes political centralization. The “urge” to establish a unified government, a world state, is strengthened, especially under the ideological leadership of democratic socialism. If economic and financial ties become ever tighter, why not create a single world state that can more effectively implement the desired policies—such as policies for prevention of economic and financial crises as well as tax fraud, environmental protection, counterterrorism, etc.? The world central bank, which issues the fiat world currency, becomes a particularly sought-after political power and control center in this concentration process.

Drawing on Robert Michel’s iron law of oligarchy, it is to be expected that a relatively small, assertive group of people which originates from the party and government structures of the participating states will try to put the world central bank under its control and make it serviceable for its own purposes. Against this background, it would be unrealistic for something to emerge that could be described as a “democratic world central bank.”

The representatives of the participating states may initially endeavor to “chain” the world central bank—i.e., to design the rules and regulations to which the world central bank is subject in such a way as to prevent abuse of power. However, what happens in the hierarchy of parties also happens in the hierarchy of a community of states: the most determined, tireless, ruthless, and relentless advocates of democratic socialism prevail. The aim of the oligarchy will be to make the world central bank serviceable and, above all, to enable the creation of a world government, a world state, which democratic socialism must necessarily strive for.

A world state, equipped with its own global fiat money monopoly, would open a dark chapter in the history of humankind and lead to a civilizational catastrophe. The world state would have no competitors to fear. No one could escape from it. Emigration would be impossible; the world state would be everywhere. The hope that the expansion of the power of the world state could be effectively curbed by democratic electoral acts would prove to be illusory as soon as oligarchization set in—and this is to be expected, of course, as already impressively illustrated by the expansionist drive of the nation-states in recent decades.

It is downright absurd to think that a world state with its own fiat world currency would not sooner or later mutate into a totalitarian tyrant. But are there perhaps good forces that could challenge the money monopoly and thereby effectively prevent the ideas of world money and a world state from being put into practice? One possible good force is technological disruption, which could revolutionize the global monetary system or show people that better money than
that offered by states is both necessary and possible. There is no doubt that cryptocurrencies hold such potential for disruption.

**Technological Disruption: Cryptocurrencies**

The cryptounit bitcoin holds out the prospect of something revolutionary: money created in the free market, money the production and use of which the state has no access to. The transactions carried out with it are anonymous; outsiders do not know who paid or who received the payment. It is money that cannot be multiplied at will, whose quantity is finite, that knows no national borders, and that can be used unhindered worldwide. This is possible because bitcoin is based on a special form of electronic data processing and storage: blockchain technology (distributed ledger technology), which can also be described as a decentralized account book.

Think through the consequences if such a “denationalized” form of money should actually prevail in practice. The state could no longer tax its citizens as before. It would lack information on the labor and capital incomes of citizens and enterprises and their total wealth. The only option left to the state would be to tax the assets in the “real world”—such as houses, land, works of art, etc. It could try to levy a “poll tax”: a tax in which everyone pays the same absolute tax amount—regardless of the personal circumstances of the taxpayers, such as income, wealth, ability to achieve, and so on. But would that be practicable? Could it be enforced? This is doubtful.

The state could also no longer simply borrow money. In a cryptocurrency world, who would give credit to the state? The state would have to justify the expectation that it would use the borrowed money productively to service its debt. But as we know, the state is not in a position to do this and is in a much worse position than private companies. So even if the state could obtain credit, it would have to pay a comparatively high interest rate, severely restricting its scope for credit financing.

In view of cryptocurrency’s financial disempowerment of the state, the question arises:

Could the state as we know it today still exist at all, could it still mobilize enough supporters and gather them behind it? After all, the fantasies of redistribution and enrichment that today drive many voters into the arms of political parties and ideologies would disappear into thin air. The state would no longer function as a redistribution machine; it basically would have little or no money to finance political promises. Cryptocurrencies, therefore, have the potential to herald the end of the state as we know it today.

The transition from the national fiat currencies to a cryptocurrency created in the free market would have consequences for the existing fiat monetary system and the production and employment structure it has created.

However, bitcoin has not yet developed to the point where it could be a perfect substitute for fiat currencies. For example, the performance of the bitcoin network is not yet high enough. Another problem with bitcoin transactions is finality. In modern fiat cash payment systems, there is a clearly identifiable point in time at which a payment is legally and de facto completed, and from that point on, the money transferred can be used immediately. However, distributed ledger technology consensus techniques (such as proof of work) only allow relative finality, and this is undoubtedly detrimental to the money user (because blocks added to the blockchain can subsequently become invalid by resolving forks). The transaction costs are also of great importance regarding whether bitcoin can assert itself as a universally used means of payment. In the recent past, there have been major fluctuations in this area. In addition, the time taken to process a transaction has also fluctuated considerably at times, which may be disadvantageous in view of the emergence of instant payment options for fiat money.

Another important aspect is the question of the “intermediary.” Bitcoin is designed to enable intermediary-free transactions between participants. But do the market participants really want intermediary-free money? What if there are problems? If someone made a mistake and transferred one hundred bitcoins instead of one, he cannot reverse the transaction. And nobody can help him! The fact that many hold their bitcoins in trading venues and not in their private digital wallets suggests that even in a world of cryptocurrencies there is a demand for
intermediaries offering services such as storage and security of private keys.

As soon as intermediaries come into play, the transaction chain is no longer limited to the digital world, but reaches the real world. At the interface between the digital and the real world, a trustworthy entity is required. Just think of credit transactions. They cannot be performed unseen and anonymously. Payment defaults can happen here, and therefore the lender wants to know who the borrower is, what credit quality he has, and what collateral he provides. But if the bridge is built from the digital to the real world, the cryptomoney inevitably finds itself in the crosshairs of the state. However, this bridge will ultimately be necessary, because in modern economies with a division of labor, money must have the capacity for intermediation.

It is safe to assume that technology will continue to make progress, and that it will remove many remaining obstacles. However, it can also be expected that the state will make every effort to discourage a free market for money by reducing the competitiveness of alternative money media such as precious metals and cryptounits vis-à-vis fiat money through tax measures (such as turnover and capital gains taxes). As long as this is the case, it will be difficult even for money that is better in all other respects to assert itself.

Therefore, technical superiority alone will not be sufficient to help free market money—whether in the form of gold, silver, or cryptounits—achieve a breakthrough. In addition, and above all, it will be necessary for people to demand their right to self-determination in the choice of money or to recognize the need to make use of it. Ludwig von Mises has cited the “sound-money principle” in this context: “The sound-money principle has two aspects. It is affirmative in approving the market’s choice of a commonly used medium of exchange. It is negative in obstructing the government’s propensity to meddle with the currency system.” And he continues: “It is impossible to grasp the meaning of the idea of sound money if one does not realize that it was devised as an instrument for the protection of civil liberties against despotic inroads on the part of governments. Ideologically it belongs in the same class with political constitutions and bills of rights.”

These words make it clear that in order for a free market for money to become possible, quite a substantial change must take place in people’s minds. We must turn away from democratic socialism, from all socialist-collectivist false doctrines, from their state-glorifying delusion, and no longer listen to socialist appeals to envy and resentment. This can only be achieved through better insight, acceptance of better ideas, and logical thinking. Admittedly, this is a difficult undertaking, but it is not hopeless. Especially since there is a logical alternative to democratic socialism: the private law society with a free market for money.

A Free Market for Money

A free market for money means two things. On the one hand, those demanding money can freely choose what they want to use as money—for transaction and saving purposes. On the other hand, every market participant has the freedom to try to offer his fellow human beings a good to demand voluntarily as money. But
wouldn’t that lead straight to “money chaos”? Wouldn’t hundreds, maybe even thousands of types of money circulate and thus make financial calculation impossible in the economy? And wouldn’t that undermine the efficiency of the economy? This concern is unfounded.

The money demander plays the decisive role. In a free market for money, anyone who asks for money will, out of self-interest, ask for a good that has the greatest possible marketability, a good that is recognized by its trading partners as the generally accepted medium of exchange. What do you offer the baker? It is best to offer something that the baker can use to buy shoes from a cobbler or shirts from a tailor. In a free market for money, people will demand as money a good that finds the widest acceptance, which is regarded by the largest number of people as a medium of exchange. The choice of the good that serves as money is based on the wishes of the trading partners.

But what if Mrs. A offers colorfully printed paper slips and says that these are “good money”? The answer is that no one would accept her paper slips as money. Why not? Quite simple: you wouldn’t know what these colorful notes are worth, or what you could get for them in exchange. That’s why no one would demand them as money. This is exactly what Mises has shown with his regression theorem: money must arise from a good that already has a nonmonetary market value before it is used as money. This is not the case for colorful and arbitrarily printed paper slips. They would not be able to compete against other goods such as gold and silver.

In a free market for money, people will demand a good that possesses the physical qualities that “good money” must have: be scarce, storable, transportable, divisible, malleable, and transferable and be regarded as valuable. If we take into account currency history, it seems quite probable that money would still be chosen in the form of precious metals—notably gold and
silver—today. But cryptounits could also possibly assert themselves as money in the future. The choice people will ultimately make in a free market for money cannot be predicted with certainty.

Precious metals as money is an improvement compared to unbacked fiat money. No one has to carry jangling coins around in their pockets. The use of gold and silver can be digitalized. All kinds of payments that are common today could be carried out easily and problem-free with gold and silver. If cash is desired, precious metal coins can circulate or banknotes can be used that can be exchanged 100 percent for physical gold at the storage facility that issued the banknotes. Cashless payment transactions are also possible in the usual way when using gold money: bank transfer, direct debit, crossed check, payments by credit and debit card, mobile payment, bills of exchange, etc.

In a free market for money, in which a good that cannot be multiplied at will (by granting credit) is chosen as money, the credit market can exercise its intended function undisturbed: the supply of and demand for savings create a market interest rate that ensures that sufficient savings are available to make investments. This puts an end to the chronic economic disruptions of boom and bust caused by the issuance of fiat money. Because the banking business is not inflationary, the nonmarket (antisocial) redistributive effects of fiat money cease.

In a free market for money, there is no central bank and no state supervisory or regulatory authorities. All that is necessary for the functioning of a free market for money is a functioning legal order, which ensures that the contracting parties fulfill their obligations and that infringements of contractual agreements are effectively sanctioned: for example, that the stored commodity money is not embezzled, that banknotes can be exchanged for the money base at face value at any time. In order to guarantee that contractual obligations are fulfilled, there is no need for state monopolies of law. Jurisprudence and law enforcement can also be organized in the free market.

A free market money system—with free choice of money and bank freedom—is not a national but an international concept. If trade takes place internationally, across national borders, the market participants select the good to use as money with the same calculation as is used at the national level. Every user of money has an economic incentive to demand as money that good which he thinks is the most attractive means of exchange from his trading partner’s point of view. The idea of a free market for money is thus global in the truest sense of the word: just as free trade knows no national borders, a free market for money extends globally.

A free market for money is incompatible with the state as we know it today; namely, as a territorial compulsory monopolist with ultimate power of decision over all conflicts in its territory. There is no question that a free market for money requires far-reaching changes in people’s thinking. This insight was formulated by Mises in 1923:

> The belief that a sound monetary system can once again be attained without making substantial changes in economic policy is a serious error. What is needed first and foremost is to renounce all inflationist fallacies. This renunciation cannot last, however, if it is not firmly grounded on a full and complete divorce of ideology from all imperialist, militarist, protectionist, statist, and socialist ideas.

**The Private Law Society**

The alternative to the state, in its present form, is the private law society. It is characterized by the fact that the same rules apply to all people always and everywhere: that everyone has self-ownership and that everyone has ownership of external goods acquired lawfully—i.e., nonaggressively. And since the same law applies to everyone, there is no public law apart from private law. A
private law society is by no means synonymous with anarchy. Far from it! Rather, the private law society is characterized by a very clear distinction between mine and yours, and violations of property are punishable and sanctioned.

In a private legal system, security is offered in the free market. On the supply side, there are insurance companies that offer security services (insurance against theft, personal protection, etc.) in competition with other companies. In insurance contracts, the security service is specified precisely and the mutual rights and obligations are contractually laid down (such as the exclusion of negligence by the insured from compensation in the event of damage). The insurance contracts specify independent conciliation bodies—which also compete with each other for customers who pay voluntarily—to be called upon in the event of a dispute between the policyholder and the insurer.

Under competitive conditions, it is to be expected that prices for insurance coverage and dispute resolution will fall (while they will rise chronically in today’s state-monopolized security and legal apparatus). And it is not only that the insurance services in the free market for security are more geared to the customer’s wishes (in terms of scope and pricing); peaceableness and conflict avoidance are also promoted. Those who demonstrably behave well and are friendly toward their fellow human beings represent a smaller risk and are rewarded with comparatively low insurance premiums.

Since an insurance company is contractually obliged to indemnify the policyholder in the event of a loss (e.g., burglary), it will make a great deal of effort to prevent the occurrence of a loss. And if the damage has nevertheless occurred, the insurance company will do everything in its power to track down the perpetrator and make him liable; otherwise, it will have to pay the compensation, which in turn will reduce its profit. The free market for security discourages crime because potential perpetrators face highly efficient private insurance providers and police agencies. Such insurance and legal contracts can be established not only nationally, but of course also internationally, for private households as well as companies.

In a private law society, a free market for money is a natural phenomenon in the truest sense of the word: a free market for money is people’s right to self-determination when choosing money. The voluntary agreement of the people involved in the global division of labor would result in a single world currency. A freely chosen world currency differs categorically from a single fiat world currency, which is the passion of democratic socialists. A world currency chosen in a free market for money would literally be economically and ethically good money, which best serves humankind and best promotes the peaceful and cooperative coexistence of people in this world.

The Challenge

Understanding and practicing economics is the key to destroying the foundations of the driving force of democratic socialism, which for decades has been working toward establishing a world state with a world currency and has already made considerable progress along this path. Bad experiences, undesirable developments, and crises will not be able to deprive democratic socialism of its power and overcome it. This can only be achieved by insight into better ideas, and by the struggle of arguments of reason. The Global Currency Plot is meant as a contribution to help the better ideas prevail.
QUANTITATIVE EASING to Infinity AND BEYOND
On Sunday morning, March 12, Treasury Secretary Janet Yellen told CBS there would be no bailouts. Later in the day the Fed declared quantitative easing to infinity and beyond.

What’s going on?

Quite simply, the Fed is willing to overpay for debt (again). They call it the Bank Term Funding Program (BTFP), and as far as one can tell, its dollar value is limitless. The term sheet reads:

Program: To provide liquidity to U.S. depository institutions, each Federal Reserve Bank would make advances to eligible borrowers, taking as collateral certain types of securities.

And who is eligible?

Any U.S. federally insured depository institution (including a bank, savings association, or credit union) or US branch or agency of a foreign bank...

Basically everyone (i.e., not you or main street, just financial institutions) can take part in this legal counterfeiting operation.

So what’s being traded for newly created Federal Reserve notes?

Eligible collateral includes any collateral eligible for purchase by the Federal Reserve Banks in open market operations ... provided that such collateral was owned by the borrower as of March 12, 2023.

Meaning: Practically any bank can exchange US Treasury (or even mortgage-backed securities, should they have held any on their books) with the Federal Reserve.
This program will be offered for one year at no charge to banks, and of course with no recourse! The Fed explains:

Recourse: Advances made under the Program are made with recourse beyond the pledged collateral to the eligible borrower.

Now here’s the rub:

Collateral Valuation: The collateral valuation will be par value. Margin will be 100% of par value.

Therefore, if Wells Fargo or Bank of America owns US debt that is trading at fifty cents on the dollar, they can trade it with the Fed which will pay one dollar. In theory, it’s only an unrealized and temporary loss for the Fed because once the debt comes due, it will be paid in full. So the Fed won’t suffer a loss, nor will the bank.

The Fed will purposely pay an amount above market value on debt held by banks. The banks will receive this newly created money and get rid of their unrealized losses. Afterward, the banks will have to do something with this new money, such as buy more debt. We can only guess, but whatever the banks do with the money, it will most certainly be highly lucrative for them, push asset prices up, and further erode whatever is left of the middle class. It will also offer a new way for banks to make even riskier bets that will land them in more trouble in the future.

It is theft, a moral hazard, anti-capitalistic, and even antagonistic to those forced to pay taxes and work for a living. But still more questions remain, specifically: How large is this program? Are we talking a few billions or trillions of dollars?

At one extreme, this program serves as a confidence booster more than anything; it’s public messaging. Very few banks will accept the generous offer. But it will provide public assurance that the Fed will insure deposits, keep banks from panic selling bonds at a loss, and quell any ideas of a bank run.

If this is the case, then the Fed has bought a little more time until the next panic sets in.

At the other extreme, every bank in America lines up to receive free money from America’s central bank. The Fed will eventually expand its balance sheet by trillions of dollars more, and they’ll tell us that it would have been worse if it weren’t for the Fed.

As for the Fed’s commitment to reducing the balance sheet, we’ll know the answer to this soon enough! Few things are certain at the moment, but it sure is a good day to be a banker.
James Rosen, who has written biographies of John Mitchell and Dick Cheney, and was for many years a reporter for Fox News, is a neoconservative and Reagan Republican. He has found an ideal biographical subject in Antonin Scalia, a Reagan Republican, who served for thirty years on the Supreme Court. The volume under review, the first of two, covers the time from Scalia's birth to his appointment to the court; it concludes with Scalia's installation ceremony. Rosen has made much more extensive use of Scalia's papers than two previous biographers, as he never ceases to remind us; and it is easy to see why he has been granted this access. His attitude toward Scalia falls little short of adulation.

The book also conveys, though, a fact about Scalia that one doubts Rosen had in mind in writing the book. Although Scalia made many effective criticisms of the excesses of the Left, in particular of the use of the “living Constitution” doctrine to promote judicial usurpation of power, he was not someone who saw the need for fundamental change in the system by which America is governed. Instead, he wanted to succeed within that system. In this respect, his career contrasts sharply with that of Ron Paul, who although a member of Congress for many years, was always an outsider. Their attitudes toward congressional investigation of the Central Intelligence Agency (CIA) and other intelligence agencies, to be discussed below, illustrate these different political approaches.

In Scalia’s years as a student at Harvard Law School, beginning in 1957, the faculty emphasized judicial restraint. In 1959, when Herbert Wechsler, a professor at Columbia Law School and one of the most influential legal theorists of the time, delivered the Oliver Wendell
Holmes Lecture at Harvard, Scalia was attracted to his view that the law consists of a strict body of procedural rules from which judges should not deviate in efforts to achieve various social ends. “In his address, entitled ‘Toward Neutral Principles of Constitutional Law,’ Wechsler argued the benefits of the legal process’s ‘transcending the immediate result that is achieved.’ He asked the audience to consider whether Brown v. Board of Education (1954), the landmark Supreme Court ruling that struck down separate-but-equal treatment in public education for black students, reflected such a process. ‘For me, assuming equal facilities, the question posed by state-enforced segregation is not one of discrimination at all,’ Wechsler said.” (There is some doubt whether Scalia attended the lecture, but it generated great attention and was later published.)

Given his acceptance of judicial restraint and strict adherence to procedure, Scalia viewed with alarm the radical departures from precedent of the Warren court. The “living Constitution” of Justice William Brennan was abhorrent to him. At his confirmation hearing for Supreme Court justice in 1986, in answer to then senator Joseph Biden, Scalia said, “The Constitution is obviously not meant to be evolvable so easily that, in effect, a court of nine judges can treat it as though it is a bring-along-with-me statute and can fill it up with whatever content the current times seem to require. To a large degree, it is intended to be an insulation against the current times, against the positions of the moment that may cause individual liberties to be disregarded, and it has served that function valuably very often. So I would never use the phrase ‘living Constitution.’”

Scalia was much more committed to procedure and restraint than to individual liberty, and this led him to accept many of the incursions of the Leviathan state. One of the chief means by which our freedoms have been trampled on is administrative law, in which unconstitutionally broad legislation delegates to administrative agencies such as the Fair Trade Commission and the Food and Drug Administration the power to enact binding regulations that have the force of law. Scalia was not altogether blind to abuses of delegation, but his primary emphasis in this area was that courts must accept the procedures these agencies use to reach their decisions. Thus, “judicial restraint” became an instrument of judicial tyranny. In one instance, he praised an opinion by the Supreme Court that “rebuked the D.C. Circuit, one rung below the Supreme Court, for having ‘improperly intruded into the agency’s decision-making process.’”

The opinion of the foremost authority on administrative law, Philip Hamburger of Columbia Law School, was entirely different: “In sum, the conventional understanding of administrative law is utterly mistaken. It is wrong on the history and oblivious to the danger. That danger is absolutism: extra-legal, supra-legal,
and consolidated power. And the danger matters because administrative power revives this absolutism. The Constitution carefully barred this threat, but constitutional doctrine has since legitimized this dangerous sort of power. It therefore is necessary to go back to basics. Among other things, we should no longer settle for some vague notion of ‘rule of law,’ understood as something that allows the delegation of legislative and judicial powers to administrative agencies. We should demand rule through law and rule under law. Even more fundamentally, we need to reclaim the vocabulary of law: Rather than speak of administrative law, we should speak of administrative power—indeed, of absolute power or more concretely of extra-legal, supra-legal, and consolidated power. Then we at least can begin to recognize the danger.”

For Scalia, at stake were historical tradition and the separation of powers.
There is an even more glaring instance in which Scalia’s views were at odds with individual freedom. He supported the CIA and other spy agencies after the Vietnam War, when revelations of abuses led to demands for congressional oversight and investigation. More generally, he favored a “strong” foreign policy, viewing this area as under the jurisdiction of the executive branch. Nor were his views merely a matter of academic interest. In the period under consideration, Scalia worked for the Office of Legal Counsel in the Justice Department and had a major impact in drafting the presidential responses to congressional efforts to limit executive discretion.

Scalia was especially concerned to counter attempts by Congress and members of the public to use the Freedom of Information Act to ferret out abuses of power. Defending Scalia, Rosen endeavors to counter those “who thought that every proposal that expanded the obligations of the federal government to release the records of the executive branch, no matter how voluminous or highly classified, was . . . wise and urgent, a bulwark against what Arthur Schlesinger, Jr., the former Kennedy adviser, called ‘the imperial presidency.’”

Never mind the abuses: for Scalia, at stake were historical tradition and the separation of powers. “As ‘the president’s lawyer’s lawyer’ at the dawn of an accidental presidency [Gerald Ford’s], it fell to Scalia to defend traditional executive authority precisely when Congress, the courts, and the news media made it the least fashionable. Scalia also thought the CIA was justified in engaging in illegal operations abroad: this too was a matter for the executive branch to decide, though not without some vague limits. For him, the CIA and FBI were not power-mad rogue agencies, but defenders of America.”

Ron Paul, a true champion of freedom, has a different opinion. He wrote last December in protest against the FBI’s use of Twitter to silence dissent: “As we learn more and more from the ‘Twitter Files,’ it is becoming all too obvious that Federal agencies such as the FBI viewed the First Amendment of our Constitution as an annoyance and an impediment.”

Despite his mistakes, Scalia was an impressive figure who showed himself more than a match for the left-wing elites who dominate the major law schools. The intelligence and wit manifest in his opinions made him one of the major jurists in the history of the Supreme Court, and if we must sometimes dissent from this great dissenter, we should not lightly dismiss him.
Some people are missed more than others after they die, and Yuri Maltsev is one of them. He was unique, brilliant, and had a wonderful sense of humor.

In 1982, I traveled to West Berlin for the Mont Pelerin Society’s annual meeting. A group of attendees decided to tour East Berlin, and I joined them. We went through the infamous Berlin Wall, visited a museum, had lunch, and saw the streets of that Communist city. Although the place was run down and certainly uninviting, none of us actually experienced what it was like to live there.

Yuri Maltsev had a different perspective on the Communist system. He had lived much of his life in the Soviet Union, where he was an academic and a central economic planner. He was not just part of the system, but an integral part of it. He knew it from the inside.
Most of us who knew him knew about the Communist system, its shortages, its long lines, its inferior goods, and its lack of consumer choice. We knew about the official suspicion, the constant surveillance, and the need for people to keep their thoughts to themselves. Yuri, on the other hand, lived it and came to reject it not as an abstraction, but as a way of life.

Yuri came to the United States in 1989 after defecting from the USSR while on a trip to Finland. However, he was not just any defector, but an economic advisor to President Mikhail Gorbachev himself. Gorbachev, in an attempt to liberalize Soviet society, sought to restructure the economy under perestroika. (Russians had a different name for it: catastroika.)

Yuri understood it was a doomed system. While a doctoral student in economics at Moscow State University, where he earned his PhD in labor economics, he had access to the writings of “bourgeois” economists who supported free markets, such as Ludwig von Mises and F.A. Hayek. As his ideas broadened and the better he understood the failures of the Soviet economic system, the less he could share his thoughts, as free-market capitalism was the enemy. He was not free to recommend changes to the system, so when he had an opportunity to leave, he did.

After serving as a researcher and advisor for the US government, he began teaching economics at Carthage College in Wisconsin and remained there until his death. While many professors extolled socialism, Yuri pointed out why the socialist system had failed. He was a popular teacher and students especially enjoyed the international trips on which he took them, including to Cuba and South Africa, where students saw firsthand the problems caused by collectivism.

The founding dean of the Carthage School of Business and Economics, Jim Padilla, said the following: “Yuri Maltsev was an incredibly vital economics faculty member for Carthage whose knowledge, background, and stories are unmatched. He added a level of expertise to our campus that blessed everyone and impacted decades of Carthage students.”

Yuri spoke at a banquet honoring economics and business students at the University of Tennessee at Chattanooga in the early 1990s. When Yuri stood up to speak, two Marxist economics professors turned their chairs around so that their backs would be to him, a clear insult that said more about them than it did about Yuri. Even though the Soviet Union was in its final days, academics who had staked everything on the USSR’s success could not bear to have someone who had lived in that system tell them the hard truth that their Marxist beliefs were canards.

Yuri’s life was not just about economics. He met his wife, Rita, in Lithuania in 2002, and they had two children, Laura and Stanley. He also had two older daughters, Alexandra and Hannah. In addition, he is survived by an older sister, Natalie, and his mother, Olga.

We will miss Yuri Maltsev, but we also are thankful that he spent three decades with us. Rest in peace, good friend.
STUDENT SPOTLIGHT

BAKER ELKINS
What was your Mises University experience like?

I attended Mises University during the summer of 2022. From the time I discovered Austrian economics, I had questions about Misesian theory. Mises University provided an opportunity to discuss questions at length with professional Austrian economists. That was just what I was looking for.

One night, my roommate and I went to a little Italian joint with a few Mises Graduate School students. We talked about economics, philosophy, and theology, and my roommate and I received a great deal of advice. In general, meals with faculty and fellow students are where the most engaging conversations took place.

What lectures were most meaningful to you?

Picking a favorite lecture is difficult. Dr. Timothy Terrell’s lecture on energy economics was one of the more data-rich presentations, so it was a good change of pace from the more theoretical lectures, and extremely informative. Dr. Per Bylund’s lecture on the unrealized effects of covid had a few theoretical tools I hadn’t been exposed to.

I was able to eat lunch with Dr. Peter Klein a few times, and he explained to me the differences between Austrian theories of entrepreneurship and standard mainstream practices. After a few short conversations, I had a clear understanding of the unique Austrian approach to entrepreneurship. Unlike many professors I’ve encountered outside of Mises University, Dr. Klein is genuinely skilled at teaching.

Dr. Lucas Engelhardt’s lecture on modern monetary theory was my first formal exposure to MMT; after listening to his lecture and asking questions, I ordered Stephanie Kelton’s book *The Deficit Myth*. I now know that modern monetary theory is the driving force behind many progressive policy prescriptions, so understanding MMT will improve my ability to advocate for free markets and sound money.

Do you have any advice to prospective MU students?

If you want to attend Mises U, try writing an article and submitting it to the *Mises Wire*. Even if it isn’t published, the feedback will help you submit a better writing sample for the Mises University application. The more you do to show genuine curiosity and interest, the better.

Would you attend a second MU?

I would absolutely attend Mises U again; the amount I learned and the sheer number of connections I made in one week is astounding. The notes I took during lectures have helped me in writing papers for school, and I continue to keep in contact with the friends I made. It was
truly one of the most intellectually and socially rewarding weeks I’ve ever experienced.

We are often told of how important making friends and acquaintances is to opportunities. What was your experience?

At the Mises Institute’s Libertarian Scholars Conference in Nashville, I met a member of Students for Liberty who recommended that I apply for their Local Coordinator position. Not only did I get the position, but I was flown to Miami to participate in their yearly international conference. I am fully convinced I wouldn’t have been granted that opportunity without the Mises Institute’s prior opportunities and support.

Any final words you’d like to say?

Being a full-time student, money is scarce. What makes the Mises Institute so appealing is that it publishes affordable copies of classic texts by Mises, Rothbard, Hayek, etc. Furthermore, the Institute’s Quarterly Journal of Austrian Economics provides a free and seemingly endless supply of Austrian school literature to anyone who is interested.
MISES CLUB
CAROLINA
On January 28, seventy enthusiastic attendees gathered at the Aviator Smokehouse in Fuquay-Varina, North Carolina, for the fourth Mises Club Carolina Meetup, the first of 2023.

The evening’s special guest was Charlotte physician James P. Johnston, who is a pioneer in nontraditional, free-market medical care in North Carolina. Dr. Johnston supports individual freedoms and personal choices that typically run counter to normal allopathic medical practices. He does not promote vaccines, works with homeschooling families and midwives, encourages in-home care instead of institutionalization for the elderly, and even does house calls. His practice is called Your Home Medical Care (yourhomemedicalcare.com).

“Dr. Pat” used Ivermectin to treat patients diagnosed with covid. For this he was reported to the North Carolina Medical Board. Dr. Johnston succeeded in getting the complaints against his practice dismissed. He says “people don’t need a doctor if they are healthy.” Dr. Pat has an office, but he also meets with his patients in hotel lobbies, restaurants, and private homes. If you live out of town, no problem. Geographical boundaries don’t stop Dr. Johnston. He’s an advocate of telemedicine when appropriate and will help any patient online or over the phone.

Institute president Jeff Deist spoke on the “economic denialism” of our rulers, who essentially think economics is pseudoscience, and lamented that medicine is run by such deniers. Jeff proposed three changes that need to be instituted to put medicine on the right footing: (1) cash for basic services; (2) high-deductible insurance with variable premiums based on individual risk and reserved for catastrophic situations; and (3) more charitable hospitals.

If you love freedom and liberty and live in or near North Carolina, you may want to mark your calendar for a future event. The spring meetup will be in Fort Mill, South Carolina, on Saturday, April 22, and the summer meetup will be in beautiful Banner Elk, North Carolina, on Friday and Saturday, July 21–22.

For information contact Kent at kent.misegades@gmail.com.
The beautiful urban Centre Club in Tampa, Florida, was the site of the second Mises Seminar in Tampa, which was again generously sponsored by the Steve and Amber Schrader Family and Liberty Villages. With inflation daily featured in any form that we get news, How to Think about the Economy seemed like a natural fit for a better understanding of our confusing economic landscape.

Entrepreneurship using Austrian economics as a tool has become a topic of interest lately. Brett Lindell, CEO of Pantheon Holdings (which includes Aegis Exteriors and Fortress Roofing), discussed how the toolkit found in Austrian economics has helped him build a fast-growing business from scratch in the crowded, competitive, and demanding field of regional house construction. His advice: if you assemble the right resources to fit a system of assuring and delivering the best customer service, there’s a lot of growth to be harvested, whatever the industry.

Institute communications director Tho Bishop, a Florida resident, discussed the steps Florida’s state government has taken to resist the centralizing dynamics of “stakeholder capitalism.” And, Institute academic vice president Joe Salerno spoke to Murray Rothbard’s prophetic warnings about progressive social democracy and the need for bold libertarian strategies to respond to its unique dangers. Per Bylund, Mises Senior Fellow and author of How to Think about the Economy, spoke to the importance of economic literacy and the proper way to identify the seen, unseen, and unrealized in economics.

Following the formally planned schedule for the day, many attendees gathered at World of Beer for informal discussion with each other and the event’s speakers.

Pictures of the event are available at mises.org/23tampa.
ABUNDANCE, GENEROSITY, AND THE STATE

Why do people help each other? Why do they cooperate? Why are they charitable?

Guido Hülsmann tackles these profound questions in Abundance, Generosity, and the State, which will be published by the Mises Institute in 2023.

You already know Hülsmann’s great work on the cultural destruction caused by fiat banking, The Ethics of Money Production, and his magnificent biography, Mises: The Last Knight of Liberalism. Now, in Abundance, Generosity, and the State, Hülsmann makes the case for private property, sound money, and private charity as the building blocks of a healthy society.

This is a treatise for lay audiences on how private charity intersects with political economy. It presents a groundbreaking theory of how gifts operate in an economy, how charity relates to market exchange, and what happens when government interferes with this most natural human impulse.

A private system of charity is simply part and parcel of doing what you want to do with your own property.

Abundance, Generosity, and the State sets the record straight on how and why benevolence works in the supposedly dog-eat-dog capitalist West.

Become a Patron of the book with a donation of $1,000 or more or a Benefactor with a gift of $500 or more. You can also give anonymously, on behalf of a friend or family member, or for a departed loved one in memoriam. Patrons’ and Benefactors’ names will appear prominently on the book’s contributions plate.

To help publish this book, go to mises.org/ghulsmann.

A STRANGE NEW LIBERTY: POLITICS DROPS ITS PRETENSES IS NOW AVAILABLE

Tom DiLorenzo, from the introduction—

Deist states the obvious that is nevertheless shocking to the typical American who has been indoctrinated all of his or her life about the supposed necessity of a gigantic nation-state and the “god” of democracy. But democracy, Deist points out, is futile in a nation with more than three hundred million people, a veritable political tower of babble on steroids.

Paul Gottfried, from the preface—

A Strange Liberty calls for the relentless pursuit of decentralization in whatever manner this course is still open to decent, freedom-loving citizens. Jeff proposes that states that oppose federal overreach and woke indoctrination react against federal evils through noncompliance. He shows again and again that the federal government’s behavior has been blatantly unconstitutional for a very long time. Jeff here has given outraged citizens a voice and urges them to pursue this practice of resistance through state or local governments where they can. Although he knows it’s not clear this strategy will be sufficient to work against federal overreach, he encourages us to get out of our chairs and be proactive in finding ways to push back.

Available in the Mises bookstore, on Amazon, and free on mises.org.
Dr. Mark Thornton comments on the nigling, small-fry issues that confound us every day. Short, concise, and witty commentary.

Listen at: mises.org/library/minor-issues

DONATE STOCK: SUPPORT THE INSTITUTE AND PROTECT YOUR WEALTH AT THE SAME TIME!

Donating appreciated stock directly to charity is a tax-smart way to give.

By donating stock that has appreciated for more than a year, you can actually give 20 percent more than if you sold the stock and then donated the cash. The reason is simple: no capital gains taxes. The maximum federal capital gains tax rate is 20 percent on long-term holdings. If you donate the stock directly to a charity, there’s no capital gains tax to pay. Better yet, you can still deduct the fair-market value of the asset you donated from your income taxes (up to the maximum amount allowed by the IRS).

And remember that your appreciated assets can also include assets that are not publicly traded, like restricted stock or bitcoin.

So instead of donating cash, consider making a gift of appreciated stock to the Institute this tax season!

See mises.org/ways for more information.

JEFF DEIST VISITED THE HERITAGE FOUNDATION IN WASHINGTON, DC, AT THE INVITATION OF PRESIDENT KEVIN ROBERTS.

What are the key differences between libertarianism and conservatism? Jeff joined Kevin Roberts for a thought-provoking discussion on the nuances of libertarian policy, economics, and the role of humanity and faith in the public square.


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UPCOMING EVENTS AND PROGRAMS

MISES IN BIRMINGHAM
APRIL 22, 2023 | BIRMINGHAM, AL
Join Dr. Michael Rectenwald, Dr. Allen Mendhenall, and Dr. Jonathan Newman in April to discuss “The Great Reset.”

MISES CLUB IN YORK
MAY 6, 2023 | YORK, PA
The objective of this get-together is to meet, greet, and establish a community of like-minded people in the area. Anyone is welcome to attend, Mises Member or not!

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