

Ludwig von Mises argued that without capital markets based on private ownership, socialist central planners are economically blind. They cannot know either the economic value or the price of capital goods. Therefore, they cannot know which resources should be allocated to meet the desires of consumers, including the State itself. ... Nothing is more unpopular today than the free market economy, i.e., capitalism.

In summarizing Mises's theory of money, I cover five themes: the definition of money; the optimum quantity of money, and how to achieve it; the myth of neutral money and its corollary, stable prices; fractional reserve banking, and how to inhibit it; and the monetary theory of the business cycle. They are closely interrelated. Mises's system was a system.

More than any other economist, it was Mises who offered the most detailed theoretical critique of socialism.

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