

## **Interventionism and Corruption**

Corruption in many guises has been an outstanding endemic problem in Australian politics since Federation.

The great Austrian social scientist, historian and economist, Ludwig von Mises has pointed out in his 1940 book titled "Notes and Recollections", that corruption is an inescapable symptom of interventionism. And, as he was closely connected with affairs of the state since 1909, he saw first hand that it extended to the highest posts in the state.

There was great opposition to the von Mises's policy for stable exchange rates, which implied a gold standard, as public opinion in Austria, had been seduced by the illusion that inflation brought easy prosperity.

But economist von Mises did not seek popularity, as he was concerned with propagating truth.

When von Mises penned his words in 1940, he realised that the time was not far off when the entire world could be infected with the same social disease.

So, in 1952 he added a new chapter to his monumental publication titled "The Theory of Money and Credit" which was first published in 1912. He titled the new chapter "Monetary Reconstruction".

Von Mises stated in his "Memoirs" that he regarded inflation was the primary and fundamental problem of civilisation (page 67). That has been resoundingly brought home by the current credit bubble collapse which will in time impoverish billions of people.

Monetary theory has not been taught in Australian universities since the very early 1930s. For interested readers, both books are available from [www.mises.org](http://www.mises.org)

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