

# Contents

Acknowledgements .....	p. 7
<b>1. Introduction</b> .....	p. 8
1.1. Motivation .....	p. 8
1.2. Subject .....	p. 9
1.3. Methodology .....	p. 20
<b>2. Conventional monetary theories</b> .....	p. 22
2.1. Classical economics .....	p. 23
2.2. Marxist theory of commodity money .....	p. 28
2.3. Austrian and neoclassical approaches .....	p. 30
2.4. Keynesian theories .....	p. 33
2.5. Monetarism .....	p. 36
2.6. Summary .....	p. 40
<b>3. Applicability of conventional monetary theory - Monetary evolution and policy in retrospective</b> .....	p. 41
3.1. Tally stick economies .....	p. 43
3.2. Gold standards .....	p. 55
3.3. Fractional reserve banking .....	p. 75
3.4. Bretton Woods .....	p. 88
3.5. Post-war inflation .....	p. 96
3.6. Japanese bubble economy .....	p. 102
3.7. Disintermediation and securitisation .....	p. 105
3.8. Currency crises in the late 1990s and early 2000s .....	p. 108
3.9. Gold and yen carry-trades .....	p. 111
3.10. Explosion of fiat money .....	p. 119
3.11. Summary .....	p. 122
<b>4. New approaches of a paradigm shift in economics and monetary theory</b> .....	p. 123
4.1. Historical and sociological origins of credit, interest, and money .....	p. 125
4.2. Property theory of interest and money .....	p. 126
4.3. Concept of Debitism and Monetary economics – value, price, and market redefined .....	p. 133
4.4. Debt deflation dynamics and credit waves .....	p. 142
4.5. Summary .....	p. 151

<b>5. Impact of a paradigm shift in economics and monetary theory</b> .....	p. 152
5.1. New assessment of risk positions of public and private sector entities	p. 154
5.2. Suitable action for risk management strategies .....	p. 156
5.3. Suitable action for monetary policy .....	p. 157
<b>6. Conclusion</b> .....	p. 163
<b>Abbreviations</b> .....	p. 169
<b>List of tables and figures</b> .....	p. 170
<b>References</b> .....	p. 171