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Dear client and friend

I present to you a short theatrical essay in which the protagonists are some of the greatest economic thinkers. The idea originated from a paper I recently read, where a series of arguments and counterarguments of different schools of thought unfold. I found it interesting to organize them, linking each argument to the creator of that particular school of thought, and let you all take part in a discussion that has been ongoing for over two centuries and remains unresolved. Perhaps someone among you can provide the necessary scientific evidence to establish, as in physics, a general law.

By the way, this essay will allow you to classify the different economic orientations, as well as to identify who proposes each idea and why.

In quotation marks the phrases as said by the protagonists.

Milton Friedman: I've heard the arguments in favor of the Keynesian monetary policy but I, remain skeptical about its actual effectiveness. As I demonstrated in my investigations, "inflation is always and everywhere a monetary phenomenon". As such, we should be concerned that "excessive monetary expansion could lead to an inflationary spiral detrimental to the economy", as has ended up happening after a decade of monetary excess.

J.M. Keynes: Dear Milton, what I say is that "In situations of underutilization of resources and inadequate demand, expansionary measures may be necessary to revive economic activity". "Monetary policy should be aimed at stimulating the economy in the short term and combat unemployment".

Friedrich Hayek: Dear John, let us not forget the long-term consequences of such policies. "Artificially cheap credit leads to imbalances and distortions that eventually have to be corrected painfully." What I mean is that by artificially easing monetary policy we are creating new bubbles and sowing the seeds of a future crisis.

J.M. Keynes: I hear you Friedrich but let me remind you that "In the long run, we are all dead." "Expansionary monetary policy aims to mitigate economic cycles and stabilize activity". Of course, it is crucial to establish regulatory and supervisory mechanisms to avoid excesses and distortions. If you are still skeptical of this recipe, think in these terms: "Dangerous ideas are often those that make us think."

Ludwig von Mises: I must say that I feel close to the thoughts of my colleagues Friedrich and Milton. "No credit expansion can avoid an eventual collapse of a boom brought about by it". "Monetary interventions mask imbalances and delay necessary adjustments, thereby creating more significant problems in the future."

J.M. Keynes: Ok gentlemen. I agree that precautions must be taken to avoid excesses and detrimental consequences. Said this, I continue thinking that expansionary fiscal and monetary policy, when applied judiciously and well-targeted, can play a crucial role in managing crises. It is important to carefully assess the economic circumstances and find the right balance between long-term stability and short-term growth stimulation.

I hope you have enjoyed as much as I did while writing it.