

San Jose State University
Department of Economics

David S. Saurman Provocative Lecture Series

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“A Century of Failure: The Case for Replacing the Fed”

Professor George Selgin

Professor of Economics at the University of Georgia

STUDENTS, FACULTY, AND THE GENERAL PUBLIC ARE ALL WELCOME TO ATTEND.

The Fed was established in 1914 to improve upon the notoriously unstable National Currency system. Has it succeeded? Notwithstanding its failure to end—let alone avert—the current recession, most people believe that the Fed is a success. Professor Selgin argues that Fed has been an unmitigated failure. According to the best-available statistics, and by every accepted measure—whether it be the stability of the dollar’s purchasing power, the frequency and duration of business contractions, or the incidence of banking panics—the Fed’s presence has made the U.S. economy even less stable than it was before 1914. These results hold even during the notoriously unstable years between 1914 and 1945: the Fed’s “practice period.” The case for reforming our currency and banking system is therefore even stronger today than it was a century ago.

George Selgin is a professor of economics at the University of Georgia, a senior fellow at the Cato Institute, and a research fellow at the Independent Institute. He is the author of *The Theory of Free Banking* (1988), *Less than Zero: The Case for a Falling Price Level in a Growing Economy* (1997), *Good Money: Birmingham Button-Makers, the Royal Mint, and the Beginnings of Modern Coinage* (2008), and numerous scholarly and popular articles concerning monetary theory, history, and policy. He is also an Associate Editor of *Econ Journal Watch* (<http://econjwatch.org/>), an online forum devoted to exposing “inappropriate assumptions, weak chains of argument, phony claims of relevance, and omissions of pertinent truths” in the writings of professional economists.

Thursday, October 20, 2011

5:15–6:45 P.M.

Engineering Room 189

ABOUT THE DAVID S. SAURMAN PROVOCATIVE LECTURE SERIES: The Department of Economics invites students, faculty, and the general public to consider intellectual arguments on controversial topics. Presenters in the Provocative Lecture Series are noted for their outstanding scholarship and public speaking ability. This lecture series fosters the tradition of higher education to challenge ideas and develop critical thinking in an environment of respect for intellectual discourse. Our goal is for you to develop the critical thinking skills necessary to reach your own informed position on controversial issues. We invite you to attend, to relax, to ponder, and to enjoy the thought process.