



Episode 963: Good and Bad Ways to Fix Our Monetary System

Guest: Lucas Engelhardt

WOODS: All right, let's jump in with this topic by asking, first of all, why would anyone, Austrian or otherwise, think we need monetary reform?

ENGELHARDT: That's a great question.

WOODS: That's what I'm good at.

ENGELHARDT: Right, so here we need to think about what are the problems that can be caused by the monetary system. The first, which Austrians are not unusual in saying if you don't run money well, you can have a really serious problem we call hyperinflation, where prices just run totally haywire, rising very, very quickly to the point where it totally destroys the monetary system. I like to say if you ever want to destroy an economy, you have two choices. The slow path is to engage in widespread central planning. Go the communist path. If you want to do it quick, though – you're like me; I'm rather impatient – in that case, hyperinflate the currency. Once you eliminate the monetary economy, now we're reverting back to barter. It's going to be an extremely primitive economy. Naturally, since I don't actually want to destroy economies, I want to prevent hyperinflation from happening. So we'd like to have a monetary system that actually can reliably prevent hyperinflation.

Second thing we would want to do is try to dampen or eliminate the business cycle. Again, this is not something where I'm crazy in proposing we'd like to have a monetary system that does this. Allegedly, this is what we try to do.

WOODS: Right, how would you explain it to somebody new to this?

ENGELHARDT: Sure. The business cycle is just, as we experience every few years where it seems like the economy is doing very, very well, we're going through an economic boom, everyone's employed, we're all feeling very, very good about things, and then it seems like for some reason things just go wrong and the economy falls apart and we experience then what we normally would call a recession or a bust right after some kind of crisis – so things getting worse again. It'd be kind of nice if we didn't have to go through this yo-yo kind of effect that we get in the economy, and as far as we can, we want to prevent that.

WOODS: Okay, so these are the aims of monetary reform.

ENGELHARDT: Yes.

WOODS: You were mentioning that there were some mainstream proposals for monetary reform, but yet the mainstream doesn't seem to think there is much prospect of hyperinflation. So that's one thing. And secondly, I don't think the mainstream thinks – I mean, the mainstream may think you could maybe take the edge off the business cycle, but I don't think they think you could eliminate it altogether. So I don't quite get what are their motivations for monetary reform?

ENGELHARDT: Right, yeah, that's a good question. Now, it turns out inside of the mainstream, I think it's true there's generally mostly agreement at the moment that at least in the U.S. we seem to be pretty good at monetary policy when it comes to things like hyperinflation. We see very low rates of price increases over time, so they don't seem that concerned about it or this is justified as another question. But I think it's true this is not really a concern they have. At the same time, we do know that we seem not to be doing a great job really of dampening the business cycle. Just recently – although, I'm getting older. "Recently" was ten years ago now – we went through this housing crisis, a very serious economic crisis, very severe, and it doesn't appear that we were able really to prevent that using monetary policy without current practice.

WOODS: All right, then why don't we go through – before we get into details about them, list for me what are the most common monetary reform proposals outside of the Austrian tradition.

ENGELHARDT: The big debate right now is between discretion being what we currently do – so have a group of very professional, very well-trained people we call the Federal Open Market Committee, the Federal Reserve get together and talk about what we should do and use their own human judgment to make some choice about monetary policy. There are some that would say that this is not really a good way to do things because people make mistakes. I learned that in *Sesame Street*, actually. I think I was four years old at the time. People make mistakes.

WOODS: So you could instead have a rule-based system.

ENGELHARDT: Exactly. Milton Friedman makes the point that if we have a system where such a small group of people can do so much harm to such a large group of people, it's not a good system. We need to develop a system where little mistakes that people can make don't have the same damage, so let's just take discretion out of it, replace these people with some kind of rule.

WOODS: Right, now, that sounds really plausible, because you're right; human error – I don't know if you ever saw – this is talking about before your time, the movie *War Games* with Matthew Broderick. And he hacks into –

ENGELHARDT: I never watched it.

WOODS: Oh, you've got to go see this movie. It's so cheesy, but it's so awesome.

ENGELHARDT: Yeah, I've seen scenes from it, yeah.

WOODS: Yeah, but the idea behind their system that they establish was, at the beginning of the movie, the two people are supposed to turn their keys. It's a drill and they're both supposed to turn their keys. But one refuses to turn his key, and so the military gets upset that people are using their own human judgment and they're not listening to what they're told, so instead, we need a machine that will just do what it's programmed to do. So you think, well, if they weren't engaged in nuclear annihilation, this would sound like a pretty good system.

ENGELHARDT: Right.

WOODS: It makes sure that what needs to get done gets done. But that makes that system, the rule-based system sound more plausible than it really ought to sound, so we are going to come back to that. So if anybody's thinking, "Ah yes, we'll take the discretion out of it and just have a rule," the rules are crummy too, so forget that. So give me an example of a monetary reform proposal that involves — Do they involve moving away from discretion?

ENGELHARDT: Well —

WOODS: Or different kinds of discretion, or what?

ENGELHARDT: I don't know that necessarily all of them do, but certainly the most popular ones do right now.

WOODS: Okay, so what are they?

ENGELHARDT: So — you just want a list?

WOODS: Yeah, I do, and then we'll go into detail.

ENGELHARDT: Okay, the most common ones you see — well, Friedman had a rule. He has a very nice simple rule. We can talk about that in more detail if you want. We have the Taylor rule. That's a more recent one that came out roughly 20 years ago. John Taylor developed this. Inflation targeting is an idea that's also been around roughly the same amount of time, a little bit older. And also nominal GDP targeting, or sometimes called nominal income targeting, has been gaining some traction recently.

WOODS: Ugh, geez. I just want to throw a ball of fire at all of these [laughing]. Okay, let's just go in order. What did Milton Friedman think ought to be done?

ENGELHARDT: Well, Milton Friedman said let's make this very simple, get rid of the Federal Reserve — we can cheer, right? — we don't need the FOMC anymore. I don't even think they said we needed the FDIC, which I think that's kind of a radical move. So get rid of all this stuff —

WOODS: Oh, yeah, yeah, to 99% of America, Milton Friedman was quite radical [laughing].

ENGELHARDT: Right, 100% reserves in the banking system. Wow, I'm really liking this so far. And then what we want to do is increase the money supply every year by some number, it's going to be somewhere between 3 and 5%. We'll pick something in there. The goal being that by increasing by this much, that's roughly the rate of economic growth. Prices should stay stable over time.

WOODS: Okay, so what's the problem with that?

ENGELHARDT: Well, the problem is that it kind of ignores basic economics.

WOODS: No, that can't be. Milton Friedman is not a dummy, so what's going on there?

ENGELHARDT: I know. He forgot that demand is a thing.

WOODS: That can't be right. Milton Friedman knows demand is a thing.

ENGELHARDT: Right, you would think so. So we know that in any other kind of market, we have demand and supply. And sometimes demand moves, sometimes supply moves, and kind of ideally what we would like to have happen is if we demand more kumquats, supply responds to this and we produce more kumquats in response to that. What Milton Friedman did in his analysis is he basically assumed that the demand for money never really changes, except in response to this economic growth on average. So if we just grow the money supply, then we're growing right along with the way money demand is growing.

WOODS: I see. So first of all, let's make sure everybody understands. When we say money demand, a lot of people might be inclined to think we all have an infinite demand for money. And I always give the example: if you suddenly won a million dollars in the lottery, you would go spend it, which proves you don't have an infinite demand for money. That's what we mean: holding money, the demand to hold the money. So what would be the big downside to implementing the Friedman proposal?

ENGELHARDT: Well, sometimes the demand for money changes in ways that are not perfectly predictable. So for example, it might be that people decide maybe they don't want to hold as much money right now. They're feeling very confident about the future. They don't feel a need to have very large bank accounts, so they go out and they spend more than they normally would. Well, in this case, we have a significant decrease in the demand for money at the same time money supply is increasing. Prices are going to rise. So exactly the thing that Friedman wanted to prevent he fails to prevent, because he forgets that maybe people's demand for money is going to change based on something other than just economic growth.

WOODS: Okay, so that's the Friedman proposal. The Taylor rule, I did an episode on this that I'll link to at TomWoods.com/963.

ENGELHARDT: Oh, that's probably better than what I'm going to say.

WOODS: Oh, well, we did devote a whole episode to it in fairness, because Mat Machaj, who's a great Austrian in Poland, had written a paper smashing the Taylor

rule. Because a lot of people fell for this Taylor rule because they thought — because Taylor claimed that if we followed his rule, we wouldn't have had the financial crisis. We wouldn't have had the housing bust. We wouldn't have had all this crazy monetary policy in the first place if we had just stuck to his rule. And Mat more or less showed that it's a Rube-Goldberg contraption that is not actually all that helpful. But Taylor is an economist at Stanford. What else can you tell us about this?

ENGELHARDT: All right, so the basic idea of the Taylor is he says we want to have the central bank set some kind of interest rate target, which is what they actually do so we're already partway there, you must respond in a very predictable way to what's happening to the rate of inflation in the economy as prices are moving up, and also what's happening to what we can think of as the state of the economy. Are we in a boom? Are we in a bust? How is GDP doing compared to what we think the trend is? So he has a very mechanical rule that he would want the Fed to follow.

WOODS: Okay, so again, at least that takes the discretion of an Alan Greenspan out of the picture.

ENGELHARDT: Exactly.

WOODS: That itself seems to be good, and what he's saying doesn't sound — maybe it sounds like common sense to some people. So right what's the problem with the Taylor rule?

ENGELHARDT: Let me get a little bit into the history of how we got it first.

WOODS: Yeah.

ENGELHARDT: Because originally, he wasn't actually proposing this as a proposal; he was just doing some economic modeling where he needed to have the interest rate in there, and he knew it was affected by policy and he wanted to find out how policy worked. So he just did the statistics to find out what the Fed actually did historically at the time he was writing this paper. And he came up with these numbers for how it's connected with inflation, how it's connected with economic activity. This sounds perfectly reasonable. He's just doing a descriptive study. Later on, he did write papers suggesting that the rule he found was actually a good rule and he defended it as being something that was actually desirable. So originally, it wasn't even a proposal; it was just purely descriptive.

WOODS: Okay, but now it is being pitched as a proposal.

ENGELHARDT: Yeah, and he himself pitches it that way.

WOODS: Yeah, right, right. So what happens if we implement it?

ENGELHARDT: Actually, there are a couple of these proposals that in some sense I think aren't that horrible — aren't ideal, but aren't that horrible. So for example, let's suppose that we see a very high rate of inflation in the economy. What this suggests, as I mentioned before, is the money demand is probably falling. People don't want to

hold it; they want to spend it instead. So prices are rising really fast. What does that do in Taylor's rule? Well, according to Taylor, if inflation rates go up really fast, we should increase the interest rate really fast. Okay, now we get down to the nitty gritty of monetary policy. How do we increase interest rates? We slow down the growth in the money supply, perhaps reverse it.

Okay, so putting all of this together, because it's kind of a long chain of reasoning: we started with money demand falling, and as a result, we're decreasing the money supply. This is the way we typically want markets to work. The problem that I have with that is that there's no guarantee we're going to get the quantities right. We don't know that at all. And it's also not so clear to me when we start looking at the economic activity side of it that we're actually responding in the right direction anymore, because it's not obvious that, say, during periods of economic growth, we may possibly have increasing or decreasing money demand. It's not obvious which way that would go. So we're responding with the money supply changing a way that may or may not be appropriate for what money demand is doing.

WOODS: I want to talk about inflation targeting and this very fashionable, even among free market people — and by the way, Taylor's a free market person.

ENGELHARDT: Oh yeah.

WOODS: Friedman's a free market person.

ENGELHARDT: Yeah, I love reading Taylor.

WOODS: So as I think about it, I probably shouldn't have said "even." But also gaining some traction among some free market people are these other proposals. We'll get to those after we thank our sponsor.

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So inflation targeting is another proposal, and your instinct would have to tell you that there's something that's got to be arbitrary about that. How would you choose what level of inflation is good? The whole thing just seems wrong-headed from the start.

ENGELHARDT: Right. Inflation targeting, first, in principle I'd say kind of the good things that I said about Taylor. High rates of inflation, money demand is falling; as a result, we decrease the money supply; this sounds good. But it falls apart actually on three points. One is that anybody who advocates this understands we can't control inflation tomorrow. We're going to target three, five, maybe ten years out. It's a medium- or long-term goal for what inflation should be. That's a problem because we have to make monetary policy today, so how can we make monetary policy to hit a target several years in the future? Well, what we need to do is get a group of people who are really intelligent, understand how the economy works, have them deliberate and decide what kind of monetary policy today will hit that inflation target. This sounds remarkably like the discretionary system where we have the FOMC [laughing].

WOODS: Yeah.

ENGELHARDT: So all we've really done is pin down exactly what we want the FOMC to be shooting at. We haven't eliminated them or their goal or their role in the system. So that's a problem.

Another problem, which is so simple, because conceptually it's easy to say inflation is 2% – but measured how? It's like generally something like the second or third week in a principles of macroeconomics class you learn how we measure the overall level of prices. And the answer is you have a choice. We have four different ways that we already do it. You could add more to this if you wanted to. Typically, we talk about CPI, PPI, PCE, the GDP deflator. So how are we going to measure inflation to know whether we've hit the target or not? Now, this wouldn't be a big deal if these all four moved in the same direction at the same time, but they don't. In fact, it's very interesting to watch when CPI and PPI move in different ways. So here it's not so clear. Just because we say inflation, it's not even clear what that means once we start looking at the specifics of how we measure the thing.

WOODS: Tell me about NGDP targeting. This is like targeting total spending. Why would you want to do that? What's the benefit of that? That's supposed to create some kind of stability?

ENGELHARDT: Right, so the idea is – and this is all connected with actually very directly trying to connect the idea of money supply and money demand together. So if money demand is falling, then people are going out spending their money; they're not holding it as much. Okay, so money demand is falling. How should we respond to this? We should decrease the money supply. Well, if we decrease the money supply, people won't have as much money to spend. So people are trying to spend more, but we're taking away the money they would have to spend. As a result, we're stabilizing the amount of spending that's happening in the economy. So if we look at mechanics of it, decreasing money supply in response to the decrease in money demand. So that's really where that kind of argument comes from. We're responding in a very automatic way. By looking at this overall level of spending, we're going to do the right thing with money supply.

WOODS: Well, in a way, are they trying to approximate how markets in other goods operate? When the demand falls off we don't supply as much. So then why isn't this a market approach, in your view?

ENGELHARDT: Right. And yeah, it's true, the advocates of this like to call themselves market monetarists.

WOODS: Ugh. Anytime you have to put "market" in front of it [laughing].

ENGELHARDT: Right, yeah. Like "monetarist," some of your listeners may know, would go back to Milton Friedman because he was a very famous monetarist. So they basically said Friedman kind of had the right idea, but he forgot about money demand. Let's not forget about it. So yeah, it feels very much like we're just trying to mimic what the market would do.

WOODS: Right.

ENGELHARDT: So here I'm going to have to make an argument that is somewhat more fundamental, and actually it would be an attack that would apply not just to NGDP targeting, but every single one of these that we've talked about so far, and that is thinking about how money gets into the economy to start with. Because according to the Austrian theory of how business cycles work, in a system like ours, money comes in through credit markets. As there's more money available for lending, that's going to push down interest rates. This dropping of interest rates changes people's behavior. You drop interest rates, we go out and try to consume more. I buy a new car — I actually just bought a new car not too long ago.

WOODS: Yeah, me too. We'll have another episode to discuss out new cars.

ENGELHARDT: Right. Is there a car bubble? That's coming up on *The Tom Woods Show*.

WOODS: There may be one right here in this studio, yeah [laughing].

ENGELHARDT: Yeah, we're working on it. It also changes the kinds of investments that make sense to people making investments. So it might make more sense to make longer term sorts of investments at that point in time when interest rates are low. But since this low interest rate was purely dependent on that new money coming in, once that slows down or stops, interest rates rise again. Suddenly, those old investments that made sense with low interest rates don't make sense anymore. We end up running into bankruptcy. All these errors have been revealed, and we move from the boom time, where everybody's buying cars and building factories, to a bust, where we can no longer afford cars because loans are too expensive and those factories we built actually weren't worth it in the end.

WOODS: All right, so there's some background. How does that help us understand the problems with this NGDP stuff?

ENGELHARDT: As far as I can tell with every single one of these proposals, where is money still coming in? It comes in through the financial system, heading in very quickly through credit markets where it's going to suppress interest rates, creating exactly the effects I just described.

WOODS: Oh, okay, okay, so it doesn't solve one of the two main purposes of monetary reform.

ENGELHARDT: Exactly. So all of these, would they prevent hyperinflation? Well, probably, although I suspect that preventing hyperinflation isn't necessarily that hard. Just don't print money too fast. Don't add zeroes to it and you're okay.

WOODS: Right, yeah.

ENGELHARDT: So they would all do that fairly well. Preventing the business cycle, though, I think every single one of them fails.

WOODS: Now, in terms of Austrian monetary reform proposals, I'm sure you can find more than one.

ENGELHARDT: Oh, absolutely.

WOODS: So how do you break that down?

ENGELHARDT: I divide this up in thinking about — really there are two sides to these policy proposals. One is thinking about the currency or money side of it. The other is thinking about the banking side of it. And we actually have multiple proposals in each of these.

So we think first about money. So where do we go from here. There are really two main ideas that I've seen out there, and they're not mutually exclusive. I'd say generally those that favor the first would also say the second should come in. So those would be first trying to revive the gold dollar. So take the currency we already use and tie it back to gold like it was historically. The second proposal would be having currencies compete with one another, so allowing more freedom in the choice of currency amongst people.

So in terms of reviving the gold dollar — Currency competition, that's easy somewhat to understand conceptually. Reviving the gold dollar, that sounds kind of weird because it's so disconnected at this point. So there are a couple ways we might go about doing that. The main proposal from Rothbard, which is what I think many of the modern Austrians would suggest doing — those that like this particular path — is that we know how many dollars there are out there. The Fed still has a holding of gold. So it actually wouldn't be that hard for us to say: just create an exchange rate between the two. Divide the number of dollars that we have that we want to back by gold by the amount of gold we have. That tells you the number of dollars per ounce of gold.

And then the Fed just declares, "Bring us ounces of gold and we will give you that much paper money in exchange, or bring us that paper money and we will give you the gold in exchange." And then people have the choice whether they like the paper form of the currency or the gold form of the currency, and we don't have the problem of, say, the Fed not having enough gold to back all the paper or any of those kinds of issues. And so that would be one proposal that's out there for how we could reestablish a gold dollar.

WOODS: Yeah, now, one potential problem with that would be that we had a gold dollar and we lost it, so why would this one do any better? It's like people who say — There are some amendments to the Constitution that you could make that I think would actually be an improvement, but then that assumes they're going to listen to those when they didn't listen to the earlier ones, so what guarantee do we have that the same one won't happen? Of course, we don't have any guarantee.

ENGELHARDT: Exactly. Well, yeah, any time there's politics. Politicians are very good at making bad decisions.

WOODS: Yeah, so what is much better, even though it's much more radical and it's hard for a lot of people to see conceptually, is the complete separation of money and state, because then it's harder for the state to encroach on it, because it would seem

alien. What is the state doing in this? This has nothing to do with the state. But that's a hard sell.

ENGELHARDT: Right.

WOODS: So what does that look like? Of course you know your former professor Jeff Herbener is very much in favor of a solution like that, a complete separation of money and state.

ENGELHARDT: Yeah, he actually suggested that to Congress when he spoke in front of them.

WOODS: That's right and it's beautiful. And in fact, I think I linked to that on — I did an episode with him called something like, "After the Fed, What?" So I'm going to put that as an episode linked on the show notes page. So what would that look like, and is that your preferred solution? Forget about political viability. Is that your preferred solution?

ENGELHARDT: Actually, no.

WOODS: Oh, you disagree with Jeff Herbener? Oh, get out of here. There's the door.

ENGELHARDT: I know. I know. As a rule, I find it is a very good idea to agree with Dr. Herbener —

WOODS: [laughing] Right.

ENGELHARDT: — because, one, I was his student, and yeah, there's still an amount of — I've got to respect Dr. Herbener.

WOODS: Yeah.

ENGELHARDT: But I've also learned, more importantly, that's normally right, so if I find that I'm disagreeing with him, I just need to wait and think about it more and then I'll come around and find, oh yeah, he actually understood.

WOODS: Okay, so now I'm really interested here. So tell me what your preferred system is and what makes it better than Jeff's proposal.

ENGELHARDT: I would just side with just pure doing currency competition. So all currency competition really means is that we eliminate all of the barriers that exist right now between letting people choose money and not letting them choose money. As it is right now, the dollar has a very special place in the economy, not just because people chose it, but because it is enshrined in law. So eliminate that enshrinement and it might be that people decide to start using gold coins. I'm perfectly fine with that. But it might be they choose to do something else, and I'm fine with that as well, as I suspect is also the case with Dr. Herbener. He doesn't have some kind of love affair with gold. I think we have the same ultimate goal in letting people have a choice; the question is how do we get there.

WOODS: Okay, so you're saying that what we want to do is remove the special privileges that the dollar enjoys, whether it's legal tender or it's various forms of taxation that inhibit the use of other kinds of money, and then let the chips fall where they may. And some people will use state-administered money and some people won't, and then maybe over time we see that people tend to prefer one type of money over the other, what type of money that gains in value over time. What about the people who would say that ultimately the purpose of a monetary system is to facilitate exchange and that the more currencies you have, the more you are slowly moving in a way back toward a form of barter?

ENGELHARDT: Yeah, that's a good question, which means I have to think about an answer to that. And I think it's true. If we decide, say, each of us to print our own currency, we've just totally devolved away from the modern economy we have. But at the same time, I guess I would – I need to think about this.

WOODS: Well, how about this? Let me put it this way: do you think that the outcome of currency competition would be that gradually over time we would settle on one money?

ENGELHARDT: I suspect we'd settle on maybe one or two –

WOODS: A handful of currencies, yeah.

ENGELHARDT: A very small handful, because it is possible – say we might use something like gold for very large purchases, something like silver or even copper maybe for very small purchases. So I could see there being multiple that do exist side by side. Or we might have some that maybe have different properties in terms of how they change in value over time. So there might be some I would like to use more as a storing value, but others perhaps might be easier to use as means of exchange themselves.

WOODS: Ah, okay, yeah. So maybe you could see them – And then some of them may be able to boast other properties, like some of them would have more anonymity, for example, attached to them than others.

ENGELHARDT: Oh, absolutely, yeah. Yeah, so we could imagine something – bitcoin is not truly anonymous, but something more like that where identity is more protected may be preferred amongst some people compared to, say, checking account transfers, which are much less so.

WOODS: Yeah, and see, there, there are pros and cons to these different forms of money –

ENGELHARDT: Oh, absolutely.

WOODS: – because bitcoin has pros, but at least in this stage in its development, I think we have to be honest enough to admit it has cons, especially if you're a beginner at it. And let's say somebody steals your cellphone and that's where you had your bitcoin. So long, bitcoin.

ENGELHARDT: Right.

WOODS: Now, you could store your bitcoin at a place like Coin Base, but then you've got to worry about the solvency of Coin Base —

ENGELHARDT: Exactly.

WOODS: — which I have no reason to doubt, by the way. I'm not saying we have any reason to doubt — but you see what I mean.

ENGELHARDT: And to be clear, I use Coin Base.

WOODS: As do I. I've got some bitcoin with Coin Base, too, and so far I have no reason to doubt them. But my point is there are some risks to bitcoin at this point that may for some people outweigh whatever benefits they're getting from it.

ENGELHARDT: Right.

WOODS: So you could see some people saying the different mixes of benefits and risks in these different moneys means that I prefer this one over that one and you prefer that one over this one, and then maybe they just coexist.

ENGELHARDT: And there's also just, in some sense, the reality of just the fact that markets are often very regional most of the time. And so when I think about the people that I trade with on a regular basis, they're all within a very small area. So it's perfectly possible maybe within these areas we would see maybe one or two currencies emerge, but between them, there may be no particular reason if there wasn't a whole lot of trade between two different regions. And I guess with the system of currency competition if it was widely adopted, we would acknowledge then that maybe the line between Canada and the U.S. is not economically meaningful. Maybe there are people that live in, I don't know, Niagara Falls, New York that go back and forth across the bridge on a regular basis, and it would be kind of nice if they could use the same currency on both sides. So then we would see very naturally emerge within those very natural market regions the use of money that is going to be acceptable within that region.

WOODS: Yeah. Oh yeah, that's a good point too. All right, well, I think we'll leave it there. There's a lot that can be said on this. This is a great topic and very interesting and important. So do you have a website?

ENGELHARDT: Yes.

WOODS: You do? Tell us about it. Okay, what is it?

ENGELHARDT: I do. It's not a very exciting website, but —

WOODS: But some people would say, believe it or not, this is not a very exciting topic, and I don't know what's wrong with those people.

ENGELHARDT: Right, yeah, yeah. It's LucasMEngelhardt.com, which is very hard to remember, so my bit.ly is easier.

WOODS: Okay.

ENGELHARDT: So bit.ly/prof_e.

WOODS: Oh, that is a god one.

ENGELHARDT: Yeah.

WOODS: Bit.ly/prof_e. That is somewhat better.

ENGELHARDT: You want to know why I got it?

WOODS: Tell me.

ENGELHARDT: Because you told me to.

WOODS: Oh, did I really?

ENGELHARDT: Yes, yes. You had me on I think a few years ago when you were filling in for Peter Schiff —

WOODS: Oh yeah, you were on *The Peter Schiff Show* and I told you that website name was not going to work [laughing].

ENGELHARDT: Yeah, those were almost your exact words.

WOODS: I mean, it works; it's just that when you're on the air, it's hard to make it work. I mean, when you're just asking somebody to click, you can click on anything.

ENGELHARDT: Yeah, but bit.ly/prof_e.

WOODS: Ah, how about that? All right, we're going to put that on there.

ENGELHARDT: I'm also on Facebook.

WOODS: Okay, so we'll put all that stuff at TomWoods.com/963. Well, it's been great. We went to an escape room last night together, you and I and Peter Klein and some other good — Ryan McMaken, who's also been a guest on this show — all went. We were successful, I'm very happy to report, and I think we had some success discussing this thorny issue today, so thanks so much.

ENGELHARDT: Thank you for having me.