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Steve Forbes Discusses Upcoming Book, 'Money'

Below is a Q&A with Steve Forbes about his upcoming book, *MONEY: How The Destruction Of The Dollar Threatens The Global Economy And What We Can Do About It*. **Buy this essential book [here](#).**

Why did you feel it's important now to write this book?

The Fed right now is winding down quantitative easing, its disastrous expansion of the monetary base, via the "taper." That's an extremely positive development. But we're far from out of the woods. QE will be finished by year's end. But we still have to contend with what it left behind—record-high bank reserves. That flood of money may soon make its way into the economy now that banks are beginning to lend again. In other words, more trouble lies ahead because our policymakers rarely if ever understand money.

What don't people get about money?

Money is not wealth. Printing more of it doesn't make society richer. You might get some short-term activity. But you end up with wealth destruction, not creation. For centuries our leaders have mistaken money for wealth. But it is an instrument of measurement like a scale, a ruler or a clock. Instead of measuring time or weight, it measures value.

How has this misunderstanding hurt people and the economy? It resulted in the end of a gold monetary standard and the destruction of the dollar as a reliable measure of value. Had dollar remained stable and linked to gold, incomes today would be 50 percent higher than they are. We would have avoided the countless crises and market fluctuations that have been the result of unstable money—from the emerging countries crisis of the past year to the panic and financial crisis and many others before that.

Why do you say that money increases trust? Because it enables total strangers to transact business, to work together in networks of cooperation. Destabilizing money undermines this cooperation between buyer and seller, lender and borrower. Over the last several years, the Fed's loose money policies have been a reason for the contention and unrest you've seen with movements like Occupy [Wall Street](#). It has, indirectly exacerbated unrest in other nations of the world, including the Middle East.

What do you want this book to accomplish?

Our book is intended to promote a better understanding, to help people see through the myths and understand the importance of stable money. You need an understanding of money to comprehend events in the world today, to make decisions and to preserve your personal wealth. *MONEY* is a first step in achieving this.

Do we need a major crisis to return the dollar to a gold standard?

No we don't need a crisis. People forget that the dollar was linked to gold for 180 years of our history. Gold also anchored the world monetary system in the late 19th century, during the era of the classical gold standard, a time of unprecedented growth that rivaled the expansion of the late 1990s. All we need to do is rediscover principles that Adam Smith and our Founding Fathers like Alexander Hamilton considered common sense.