

Ron Paul Predicted the Crisis of Empire, Monetary System & Civil Liberties

Dr Ron Paul is an American politician who served as a Republican member of the U.S. House of Representatives (1976–77, 1979–85, 1997–2013) and who ran as a presidential candidate in 1988, 2008 and 2012. Dr Paul is renowned for his consistent and correct predictions about the crisis of empire, the monetary system & civil liberties.

#Glenn

Welcome back. Today we're joined by Dr. Ron Paul, a former representative from Texas who ran for the presidency of the U.S. in 1988, 2008, and 2012, and a champion of limited government, a non-interventionist foreign policy, sound money, and civil liberties. Thank you very much for coming on the program. I've always been a huge supporter of your work and always cheered you on during the presidential elections.

#Ron Paul

Well, Glenn, it's great to be on your program.

#Glenn

Well, I feel that most, if not all, of the things you've warned about over the years are now obvious to everyone—the out-of-control monetary policy, the decline in civil liberties, and of course the overextended and exhausted military. But when you look at the world today, what concerns you the most?

#Ron Paul

My biggest concern is that we're heading toward a big crash that will affect everything—our civil liberties, the whole works. We're already seeing hints of that. What worries me most is that when things like this happen, there's usually a shift away from a society that still had some respect for personal liberty, and we end up with a more dictatorial government. I think we're moving in that direction. At the same time, I try to look for reasons to be optimistic. When I come on a program like yours, you're talking to a lot of people, and there are many others like you out there doing the same. The Internet has given me a tool to reach a lot of people too.

I think our side of this debate is much more present than we realize, because with all the advertising and information out on the internet, it can sound like we hardly even exist. But after campaigning a

lot, traveling a lot, and talking to many young people, I'm left with a bit of optimism—though I'm also aware of how dangerous it is during a transition. I worry about the "crack-up boom," quite frankly, the one Mises talked about. That could give the opposition a chance to take over our government, and I'm afraid some of that has already happened. But at the same time, I still see some positives that get me excited.

#Glenn

Well, I guess a big problem is that all these issues are interlinked. Once you're overextended in foreign policy, that leads to economic problems, which then have negative impacts on civil liberties. You've been a longstanding critic of the Federal Reserve, but in your view, what are the biggest dangers of the current monetary system for the U.S. economy?

#Ron Paul

Well, it's the total destruction of the dollar, and we've been doing this systematically. You know, we had people warning us before 1913 about what we were getting into, and it didn't take long after that to start seeing the problems. By the time the Fed created the first depression, the first thing they did during Roosevelt's term was take in the gold—and we weren't even allowed to own it. That happened, and that knowledge was taken away from us, because the price of gold gives you a hint about what's happening. I think the evidence is very strong. I got exposed to Austrian economics probably in the '50s and '60s, and they were writing about it. Mises and others were there, and I read Hayek too.

They said this is a mess and that Bretton Woods is unworkable. Henry Hazlitt said that the day they were trying to organize it, and, you know, it fell apart. So on July 15th, 1971, it really rang a bell, you know? Even though I expected it to happen, it was still quite a shock that it actually did. I remember listening to Nixon's live report on a Sunday night, and from that time on, I decided this was an interesting subject—actually, a pretty important one. I enjoyed dealing with it, started talking about it, and before I knew it, it led to a kind of political career, which was really just a vehicle for me to call people's attention to the danger of what we were doing to our monetary system.

#Glenn

Actually, my initial interest in the Austrian School of Economics and buying gold came from listening to you and Peter Schiff in the mid-2000s. But in terms of an overextended foreign policy, right now we're fighting this proxy war against Russia, which is becoming increasingly direct. There could be a war with Iran anytime soon, and even a war with China could be on the horizon. I was wondering how you see this global military presence affecting both national security and fiscal health?

#Ron Paul

Yeah, from my viewpoint, it's a horror. You know, it consumes wealth. All wars do if they turn into real hot wars. But here we are, spending ourselves into oblivion. It's a big part of why we're approaching \$40 trillion in debt. It's something that's expected in empires—empires eventually expand too much. They stretch their wings too far and spend too much money. So debt and the expansion of military power tend to, you know, bring things to an end. And that's what I think is happening right now. But the day it ends—well, nobody knew the exact day we'd have the restoration of, you know, gold in this country again—but that followed the breakup of Bretton Woods, and we were allowed to own gold again, which I thought was very positive.

So, uh, what we have is a foreign policy that's very, very aggressive and very, very expensive. And, uh, the American people are gullible. I imagine there are a lot of gullible people because they depend on the dollar. But sometimes you look at the countries we deal with, and they're getting smart too. They're starting to maybe protect against what we worry about—and that is the total collapse of the dollar. And when you see gold going from 1,000 to 5,000, maybe 6,000 soon, there has to be something big going on. And, of course, from my viewpoint of trying to have better government, my whole goal is to strive for a society that allows people to independently make up their minds, control their wealth, and control their lives—as long as they don't commit aggression. And that's what the libertarian argument is all about.

#Glenn

I guess this is what's different from the Cold War. The adversaries of the United States aren't just opponents in the political and military realms—they're also starting to reduce their dependence on the economic instruments of power, like the US dollar. But what do you say to critics who argue that a non-interventionist foreign policy would simply embolden adversaries and allow them to grow too strong and confident?

#Ron Paul

Well, right now they totally ignore me—and they generally ignored me when I was in Congress—but behind all that, I think we're gaining ground. Empires have to be held together by lying, you know, because truth becomes treasonous in an empire. The empire has to exist; it always has to expand. And here we have this crazy thing going on—we're up to a trillion dollars in our military budget, and they claim we're going to increase it by 50% and get another \$500 billion. They're looking around, hot as can be, because they're intimidated by the fact that they know they can't compete with the marketplace. And if they give up on their empire, the market might creep in. So for me, the solution is more liberty, less government. That's the big picture—and it's difficult—but I don't think it comes from governments.

I don't think our Congress is suddenly going to get smart and do some of the things I ask. You know, it'll be a transition. I think real transitions come from outside Washington—through education. That's why, even though I don't understand all the technology and the Internet, I see it as a good

tool for us. I think there are a lot of people out there we don't even know about. I believe in a remnant of people who always manage to salvage something, and I think it's very big. I realized that when I ran those presidential campaigns, because I met a lot of people—and a lot of young people were interested. That's what excited me. If I went to a liberal university, I could get thousands of people—very young, college kids, high school kids.

I think there's a lot that's positive. But of course, it's part of all of history—there's always competition. Right now, the fight is between the authoritarians who want to maintain their power, and they do that by lying and trying to expand their empire. But I think the empire is very fragile, and the dollar reflects that. As long as you can see that, we'll keep moving in that direction. The danger, though, is political power—how much power there is and how much damage will be done in the transition. That's why it's so important that there's a group of people who keep growing and leading in understanding what liberty is all about. I think our founders gave us a pretty good example of our responsibilities. But people who get a little whiff of what we're talking about sometimes get discouraged.

And I don't think they should be, just because it's been there so long. I think they should be aware and motivated. One thing I tell a crowd, if I'm talking to them and they seem excited about it, I say, "If you're starting to understand this and you really believe in the issue of liberty, then I believe you personally have a greater responsibility to talk about it—because the other people are in no man's land." And that's not to force them, or to take over the school system, or anything like that. But I think individuals who say, "I think the liberty message is correct, and I'd like to participate," each have their own way of doing it. What you do and what I do won't be the same, but the goal is the same—to spread the message of liberty.

#Glenn

I get the same impression—especially among young people—that they recognize things aren't going in the right direction, yet they see the authorities essentially arguing for the same thing. So I think a new or fresh message like yours is always very welcome. But you mentioned the empire is fragile. A key instrument of that empire appears to have been the expansion and interventionism of NATO. I'm not sure if you agree, but what do you see as the future of NATO? Because, for the first time, it seems its future could be in doubt. The U.S. seems more willing to deprioritize it. Do you think the days of NATO could be over? And what do you see as its goal today?

#Ron Paul

Well, their goal is to maintain power, be political, and be part of the empire. But it's not workable, so it'll self-destruct. And I think what we're seeing is that it's not efficient. Even Robert Taft was opposed to getting into NATO. From a libertarian viewpoint, it's just more big government, you know, taking things out of the hands of personal, individual decision-making. So I think it's a very important issue, but I don't think we need NATO. I do think our administration has done a little bit of

good in pointing out some of the dumb things NATO has done and that we shouldn't be doing, A, B, and C. But I don't think that's the whole answer, because what we really need is understanding.

I think the people who are complaining—the neocons who are complaining today about maybe some things in NATO or in our administration—they just want to run the show all by themselves, and they want to get rid of the old half. But we have to, or at least I feel like we should, argue the case that collectivism and governments, and putting them together with the League of Nations, the United Nations, NATO—these are all political. And we should come together because we believe in something, something that's really, in some ways, very sacred, and that is personal liberty and personal responsibility, which then creates a system where you have nothing other than honest money.

Instead, we have a system now of nihilism. There's a large number of people who don't even believe you can find truth. So those who believe in liberty and those who are nihilists—it's a real contest, because nihilists don't believe in natural law. You can't lie, cheat, steal, or kill. But if individuals—if a growing number—would believe that and practice it, you know, the world would have peace. You can't lie, but governments lie all the time. The other principle we have to change is the fact that governments regulate people. Most people know we're not supposed to, as individuals, lie, cheat, steal, or kill, and they try to keep that in check.

But nobody really emphasizes the fact that this is what governments do—they lie, they cheat, they steal, they kill, and they start wars. So it all comes together, where governments are doing a lot more harm than the bad people who do those things individually. Of course, it's a moral issue. We're financially bankrupt, but we also have this moral bankruptcy. It's the lack of belief in natural law over nihilism. The attitude out there is, "All we need is to build up the empires and they'll take care of us." So the challenge is out there—it's not brand new. But I look for signs that there may be some optimism, and there are some. And I try to participate in doing what I think we should do.

#Glenn

My last question is how you assess the performance of the Trump administration. You and I spoke about a year ago, and at that time there was some defunding of USAID—sorry, USAID—and some NGOs linked to the intelligence agencies, such as the National Endowment for Democracy. There was talk about reducing the bloat of bureaucracy, maybe auditing the military or the Fed, and so on. Some of that has fallen through, but what's your overall assessment of the first year of the second Trump administration?

#Ron Paul

I think there's more talk than action, and the action hasn't solved the problem. That's really it. A lot of things were said—especially about what we should do, like cutting back—but, you know, take for instance the goal to get rid of the Department of Education and turn education over to local people.

That was said and then undone. They finally got around recently to have a vote, and they gave more money to the Department of Education. So nothing really ever changes. And I think there are some people—certainly a lot of people—who are still determined and well-intended. But even if it's well-intended, it's still not working. We haven't cut.

And I don't think it's going to be easy to cut. That's why I don't think Washington is the answer. Because if I got into office and had dictatorial powers for a week and cut the budget by 10%, or said the Federal Reserve can't buy any government debt anymore—it would be revolutionary. There'd be so many penalties. People wouldn't cooperate with it, because they have to understand why people think you solve inflation by sending them more money so they can pay their bills. I've had people tell me, "What do you want me to do about inflation? Send me more money. I need more money in my check." And I said, "Yeah, but, you know, that's the problem. Everything is to print more money."

You have to change the philosophy. You have to stop the spending. You have to challenge the welfare state. You have to challenge the military-industrial complex. But you say, well, that sounds impossible. No—there's a similarity, in one way, between what we're doing and what the Marxists do. They want chaos. They want it to happen. We don't want chaos, but if it happens, it might give us a chance to say, there is an answer to this. The Marxists want chaos because they want to push things in the opposite direction—toward more dictatorial power. And that's an educational problem. It's one of the reasons I have a homeschooling group.

So I get to talk to a few people, but it's going to be about education. I like to talk with people like yourself, and I have no idea—you might not even know how many people you influence. So it's out there, and I believe that when the time has come for an idea whose time has come, armies can't even stop it. And I think that's right—ideas are very important. I think about what happened under COVID: people finally woke up and said, "This is crazy," and, you know, it finally just dissipated and they quit that crazy stuff. So it's just about getting people galvanized and understanding, and to me that's first a moral and an educational issue.

#Glenn

I very much agree that ideas can be very powerful. Your political ideas continue to gain a lot of popularity, and I'm also happy to see your son, Senator Rand Paul, carry on your legacy of promoting common sense, I would say. It gives me some hope. So thank you very much for your time and for your work.

#Ron Paul

Very good.

#Ron Paul

Thanks for having me on again.