



The Fraud and Violence of Modern Monetary Theory: An Africonomics Refutation of MMT Mythology

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Published:
16 September 2026

Academic Paper:
No. 009/2026

Editorial Note: This paper is a response to Modern Monetary Theory—a school of economic thought that has gained significant traction in academic, policy, and political circles. MMT claims that governments that issue their own currencies can spend without meaningful fiscal constraint, that deficits are not problematic, and that money creation is a legitimate and benign instrument of public policy. Africonomics rejects these claims categorically. *The Fraud and Violence of Modern Monetary Theory* demonstrates that MMT is not a monetary innovation or a progressive economic alternative but an ideological rationalization for the institutionalized fraud and structural violence that are fiat monetary systems; dressed in academic language and used in service of the same statist logic that has devastated economies and destroyed livelihoods across the world. This paper situates the MMT refutation within the broader Africonomics monetary corpus, building on *The Africonomics Theory of Monetary Justice* (Tacanho, 2025), *The Fiat Dollar Standard* (Tacanho, 2025), and *Magic Money Machines* (Tacanho, 2026).

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ABSTRACT

Modern Monetary Theory has gained significant influence in academic, policy, and political circles over the past decade amid growing fiscal crises. It claims that currency-sovereign governments face no meaningful fiscal constraint, that deficits are benign instruments of social welfare, and that money creation is a legitimate policy tool. This paper comprehensively refutes these claims. It demonstrates that MMT is not a progressive monetary innovation or a heterodox alternative to mainstream orthodoxy but rather the most sophisticated ideological rationalization for institutionalized monetary fraud yet produced. MMT's state theory of money is historically false. Its currency sovereignty claims conflate legal impossibility with economic sustainability. Its dismissal of inflation as a manageable policy variable contradicts the dynamics of monetary confidence collapse. And its framework systematically violates the natural-moral law principles of truth, consent, justice, and nonaggression that legitimate monetary systems require. The paper concludes that MMT is fundamentally flawed, structurally violent, and economically destructive. Africonomics offers a principled alternative grounded in truth, sound money, and human dignity. The path to monetary justice, economic stability, and human flourishing runs not through MMT but through its categorical rejection and the adoption of sound monetary systems, such as the Nilar.

KEYWORDS: Africonomics, economics, monetary theory, MMT, fiat money, statism, natural-moral law, institutional design, social systems, monetary justice, civilization.

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Suggested citation: Tacanho, Manuel. 2026. *The Fraud and Violence of Modern Monetary Theory: An Africonomics Refutation of MMT Mythology*. Afrindependent Institute Academic Paper No. 009/2026.

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1. Introduction

The rise of Modern Monetary Theory in recent years reflects a growing disillusionment with the economic orthodoxies that have governed the contemporary global order. Rising government debt, recurring financial crises, economic stagnation, and the visible failures of austerity-based fiscal frameworks have created intellectual space for heterodox monetary proposals. MMT has stepped into that space with an extraordinarily appealing promise: governments that issue their own currencies face no meaningful fiscal constraint, deficits are instruments of social welfare rather than sources of instability, and the full power of fiat monetary expansion can be deployed in service of employment, social provision, and public investment—limited only by inflation, which the state can manage through taxation.

This paper demonstrates that this promise is not only exaggerated or questionable; it is dangerous and fraudulent, grounded in a false theory of money's origins, sustained by philosophical premises that systematically violate natural-moral law, and it causes, wherever its prescriptions are implemented, precisely the structural injustice, systemic corruption, and economic devastation it claims to remedy.

MMT deserves serious refutation, not dismissal. Its growing influence in academic, policy, and political circles makes engagement with its arguments intellectually necessary. A framework that legitimizes unlimited monetary expansion by governments, dismisses sound money as ideologically motivated, and provides academic respectability to the institutional architecture of fiat monetary fraud must be answered by demonstrating, with philosophical precision and analytical rigor, why its premises are false, its ethical framework is bankrupt, and its policy prescriptions are institutionally violent and socially destructive.

This is what the Africonomics framework provides. Drawing on *The Africonomics Theory of Monetary Justice: A Refutation of Fiat Money and Fractional Reserve Banking* (Tacanho, 2025), *Magic Money Machines: Fiat Money as the Central Engine of Modern Corruption* (Tacanho, 2026), and the broader Principled Paradigm of Africonomics, this paper demonstrates that MMT is not a progressive monetary innovation, a heterodox alternative to mainstream orthodoxy, or a genuine advance in monetary understanding. It is the most sophisticated ideological rationalization for institutionalized monetary fraud yet produced: a theoretical framework whose intellectual sophistication conceals rather than transforms the mechanism of fiat corruption it defends, and whose policy agenda would expand the coercive, centralized state power that the Africonomics monetary corpus has identified as the central engine of modern corruption.

In other words, MMT is the intellectualization of fiat monetary fraud and totalizing state power.

The paper proceeds as follows. Section 2 provides a summary of MMT's core claims and intellectual foundations, engaging with what MMT actually argues rather than a caricature of it. Section 3 examines MMT's philosophical roots in consequentialism and statism, situating it within the broader Western mechanistic paradigm that Africonomics has rigorously critiqued. Section 4 provides a theoretical and empirical refutation of MMT's principal claims. Section 5 examines why MMT is particularly dangerous for Africa and the developing world. Section 6 exposes MMT's ideological function as a rationalization of expansive state power and centralized political control. Section 7 develops the Africonomics natural-moral law refutation. And section 8 presents the sound monetary alternative that monetary justice, economic civilization, and human flourishing require.

The stakes of this argument extend beyond monetary theory. A framework that intellectually legitimizes the monetary arrangements most responsible for global structural injustice, institutional decay, chronic economic instability, and systemic corruption cannot be allowed to gain further influence without principled and uncompromising refutation. Africonomics provides that refutation.

2. What MMT Claims: A Fair Summary

Before MMT can be rigorously refuted, it must be understood accurately. Intellectual honesty requires engaging with what MMT actually argues, not a simplified version of its claims. This section provides a fair, detailed summary of MMT's core propositions, policy agenda, and intellectual foundations, establishing the precise target the subsequent refutation addresses.

The Core MMT Propositions

Modern Monetary Theory rests on a set of interrelated claims that, taken together, constitute a radical alternative framework for understanding the relationship between governments, money, and economic activity.

Currency sovereignty is MMT's foundational premise. A government that issues its own currency, and whose debts are denominated in that currency, cannot become insolvent and default on those obligations, because it retains the legal authority to create the currency required to meet

them. Unlike a household or corporation, a currency-sovereign government faces no inherent solvency constraint in its monetary unit.

The irrelevance of fiscal deficits follows from this premise. If a currency-sovereign government cannot run out of its own money, then fiscal deficits, the excess of government expenditure over tax revenue, are not problematic. They do not constitute borrowing in the conventional sense, and the concern about government debt sustainability that dominates mainstream fiscal discourse is, in the MMT framework, fundamentally misconceived.

Inflation as the sole constraint is MMT's replacement for the fiscal constraint it dismisses. Government spending is not limited by revenue or debt capacity but by the economy's productive capacity: excessive spending relative to that capacity generates inflation, which represents the boundary on government expenditure. When an economy operates below full capacity, MMT argues, government spending is not inflationary and therefore faces no constraint.

The state theory of money provides MMT's account of money's origin and nature. Drawing on the chartalist tradition, MMT argues that money is not an organic market institution that emerged from voluntary exchange but a creation of the state, whose acceptance is driven primarily by the state's requirement that taxes be paid in the currency it issues. Money, on this account, is fundamentally a tax credit rather than a commodity or voluntary social institution.

Functional finance is MMT's governing policy principle, derived from economist Abba Lerner. Government fiscal policy should be evaluated not by balanced budgets or debt sustainability, but by its functional consequences for the economy; whether it achieves the desired levels of employment, price stability, and economic activity. Fiscal restraint is not a moral or principled commitment but an ideological prejudice that prevents governments from using the monetary tools available to them to serve social goals.

MMT's Policy Agenda

From these theoretical foundations, MMT derives an ambitious and politically consequential policy agenda. Its flagship proposal is the Job Guarantee: a government program that offers employment to all willing workers at a fixed wage, financed through fiat monetary expansion rather than taxation. The government functions as the employer of last resort, eliminating involuntary unemployment by absorbing all workers the private sector does not employ and using this buffer stock of employed workers as an inflation-stabilizing mechanism.

More broadly, MMT prescribes deficit spending as the primary instrument of full

employment, social welfare, and public investment. In the MMT framework, infrastructure, healthcare, education, environmental transition, and social provision are constrained not by fiscal capacity but by the availability of real resources and inflationary pressure; constraints that sophisticated demand management can address. Sound money and fiscal restraint, in MMT's account, are not principled commitments grounded in moral or economic reality but ideological impositions that serve the interests of financial elites by artificially limiting the state's capacity to serve the public good.

MMT's Intellectual Foundations

MMT draws on several intellectual traditions. Chartalism—the state theory of money associated with economist Georg Friedrich Knapp and developed through the twentieth century by a series of heterodox monetary theorists—provides the foundational account of money as a state creation. Abba Lerner's functional finance provides the governing fiscal principle. The contemporary MMT framework was developed primarily by Warren Mosler, whose insights were later formalized and popularized by economists including Stephanie Kelton, Randall Wray, and Bill Mitchell; their work has brought MMT from heterodox obscurity to mainstream policy relevance, most visibly through Kelton's bestselling popularization, *The Deficit Myth*.

The Intellectual Context: MMT Within the Western Paradigm

It is essential to situate MMT within the broader intellectual context from which it emerged, because that context is itself fundamentally flawed, and MMT's apparent radicalism conceals the extent to which it reproduces rather than challenges the foundational errors of the consequentialist and statist paradigm within which it operates.

As established in *The Ethical Foundations of Economics: Beyond the Myth of Value-Free Social Science* (Tacanho, 2025), Western economics has long claimed to be value-free, that is, neutral, objective, and scientific in its analysis of economic phenomena. This claim is false and dangerous. Economics has not been value-free. It has always been normative, shaped by philosophical commitments that its practitioners have not always acknowledged, and that have consistently served to rationalize coercive, fraudulent, and confiscatory state policies under the guise of scientific objectivity. Utilitarian, positivist, and materialist philosophical frameworks have produced a paradigm of economic thought that excludes ethics from theory and policy formulation, enabling systemic fraud, force, and exploitation to operate beneath the veneer of technical expertise.

MMT did not emerge outside this consequentialist and statist paradigm. It emerged within it, as a heterodox variant of Western consequentialist and statist economic thought that shares its philosophical commitments even while challenging some of its policy prescriptions. Like the mainstream economics it criticizes, MMT evaluates monetary arrangements by their functional consequences rather than by their conformity to objective moral principle. Like the mainstream, it accepts the state theory of money that removes the natural-moral law foundations of monetary legitimacy from analytical consideration. And like the mainstream, it provides sophisticated academic rationalization for the coercive institutional arrangements of fiat money and central banking; arrangements whose service to state power and financial elites the Africonomics monetary corpus has decisively exposed.

The morally bankrupt, institutionally coercive, and intellectually confused economic context in which MMT emerged and gained influence is not incidental to its analysis but constitutive of its foundational errors; errors that the following sections examine and refute.

3. The Philosophical Foundations of MMT: Consequentialism and Statism

MMT presents itself as a technical monetary framework, a more accurate description of how modern monetary systems actually operate, stripped of the ideological misconceptions that distort mainstream fiscal and monetary analysis. This self-presentation as descriptive rather than normative, as scientific rather than philosophical, is itself one of MMT's most consequential errors. Every monetary theory rests upon philosophical foundations that determine what it considers legitimate, what constraints it recognizes as binding, and what human values it takes as given. MMT's philosophical foundations are those of Western consequentialism and statism; and these foundations are, as Africonomics has demonstrated across its corpus, the philosophical roots of sophisticated barbarism.

MMT as Applied Consequentialism

As established in *Restoring Objective Morality: The Africonomics Refutation of Western Consequentialist Philosophies* (Tacanho, 2025), consequentialism—the reduction of ethical evaluation to outcome-based calculation—is the philosophical foundation of the Western paradigm's most destructive institutional expressions. When the rightness of an action is determined solely by its

consequences, categorical moral constraints disappear. There are no actions that are intrinsically wrong regardless of circumstance, no boundaries that cannot be crossed when the expected outcomes appear sufficiently beneficial, and no principles that cannot be suspended when sufficiently urgent goals are invoked.

MMT is consequentialism applied to monetary theory in its most institutionally consequential and dangerous form. Its governing principle, functional finance, is explicitly and definitionally consequentialist: monetary and fiscal arrangements should be evaluated not by reference to objective moral principles that determine legitimate monetary institutions, but by their functional consequences for state power, employment, price stability, and economic activity. Deficits are neither good nor bad in themselves; they are appropriate or inappropriate depending on macroeconomic conditions. Monetary expansion is neither legitimate nor fraudulent as a matter of principle; it is justified or excessive depending on whether it produces inflation. The question MMT never asks, because its philosophical framework structurally prevents asking it, is whether monetary expansion through fiat creation is inherently wrong regardless of the political goals it serves.

This consequentialist framing performs the same ideological function in the monetary domain that it performs across the institutional domains examined in the Africonomics critique of the Western paradigm. It transforms fraud into macroeconomic management, confiscation into stabilization policy, and coercion into a fiscal instrument, rebranding institutionalized monetary theft as technical governance by evaluating it by its claimed outcomes rather than its moral character. Inflation, the systematic erosion of purchasing power through fiat monetary expansion, becomes a tool for growth and full employment rather than what it actually is: the continuous transfer of wealth from ordinary savers, wage earners, and currency holders to governments, financial institutions, and politically connected elites who receive newly created money before its inflationary effects propagate through the economy.

The consequentialist elimination of moral constraints is the mechanism through which institutionalized monetary fraud acquires intellectual respectability. As long as fiat monetary expansion can be presented as producing beneficial economic outcomes such as employment, growth, and social welfare, consequentialist reasoning ensures that the moral violations it constitutes remain invisible to the analytical framework used to evaluate it. The confiscatory structural injustice of monetary debasement is presented as scientific management. The systematic dispossession of ordinary people's savings, purchasing power, and intergenerational security is disguised as responsible fiscal policy. The direct inversion of moral reality is made

possible only by the consequentialist denial of the objective moral principles that would otherwise make that reality visible.

MMT as Applied Statism

As first demonstrated in *The Scale of Statism* (Tacanho, 2025) and further established in *The Myth of Modern Capitalism* (Tacanho, 2026), the institutional architecture in which MMT operates is not free-market capitalism but statism—the comprehensive concentration of coercive power in centralized state institutions that claim authority to direct, manage, and control all dimensions of economic and social life. The prevailing global order established and maintained by Western imperial states is heavily statist, operating far closer to socialism than to actual free-market capitalism; and fiat money is not a peripheral feature of this statism but its central enabling pillar.

MMT not only operates within the Western statist paradigm; it actively reinforces, expands, and intellectually legitimizes it. The state theory of money that provides MMT's account of money's origin and nature is simultaneously a philosophical justification for state monetary monopoly. If money is a state creation whose acceptance derives from tax obligations rather than from voluntary market adoption, then the state's claim to exclusive monetary authority is grounded in the nature of money itself. MMT's theoretical framework thus provides the intellectual basis for precisely the institutional arrangement—central banking, legal tender compulsion, and fiat monetary monopoly—that the Africonomics monetary corpus has identified as the institutional architecture of totalizing state power, technocratic tyranny, systemic corruption, and chronic economic instability.

MMT's policy prescriptions extend the statist logic further. The Job Guarantee, government as employer of last resort for all willing workers, represents a massive expansion of state control and direction of economic life, creating structural dependency on political employment, suppressing the free market coordination through which genuine employment emerges, and concentrating in state hands the determination of wages, working conditions, and the allocation of labor across the economy. The functional finance principle that dismisses fiscal constraints as ideological removes the remaining disciplinary mechanisms that limit state spending, enabling unlimited state expansion financed through monetary creation without the accountability that transparent taxation would impose. Each element of the MMT policy agenda requires and reinforces the coercive, repressive, and extractive state power that the Principled Paradigm of Africonomics has demonstrated is violent, dehumanizing, and fundamentally incompatible with human dignity, agency, natural rights, and a structurally just, civilized social order.

MMT and the Denial of Natural-Moral Law

The most profound philosophical problem with MMT is its fundamental denial of the natural-moral law principles that govern legitimate monetary arrangements. As established in *The Philosophical Structure of Africonomics* (Tacanhó, 2025), Africonomics rejects the dominant Western models—philosophical materialism, utilitarianism, positivism, and Darwinian anthropology—not because they originate outside Africa but because they are fundamentally flawed, destructive, and incompatible with human dignity, moral reality, and natural-moral law. These models have produced systems of knowledge and governance that are morally hollow, intellectually confused, inherently violent, and structurally unjust; and MMT is a direct expression of this mechanistic-animalistic paradigm.

Functional finance, MMT's governing principle, is moral relativism applied to monetary policy. It holds that monetary arrangements have no intrinsic moral character and that the legitimacy of monetary expansion depends entirely on the outcomes it produces. This moral vacuum is not a neutral analytical stance. It is a philosophical commitment that structurally prevents MMT from recognizing, let alone addressing, the moral violations that fiat monetary systems constitute. A theory that defines monetary legitimacy by outcomes rather than by conformity to objective moral principles cannot distinguish between honest money and fraudulent money, between voluntary currency adoption and coerced acceptance, and between the preservation of purchasing power and its systematic expropriation. These distinctions, which are the most decisive ones, are invisible within MMT's consequentialist analytical framework.

Natural-moral law establishes that legitimate monetary systems must conform to the objective principles of truth, consent, justice, and nonaggression; principles that are binding on all persons and institutions regardless of the outcomes their violation might produce. MMT systematically denies each of these requirements: truth, by legitimizing monetary expansion that creates purchasing power without corresponding productive value; consent, by grounding its entire framework in legal tender coercion; justice, by rationalizing the continuous expropriation of purchasing power through debasement; and nonaggression, by prescribing the expansion of the institutional violence embedded in fiat monetary systems and state control. MMT not only fails to meet these requirements. Its philosophical foundations make it constitutively incapable of recognizing them as requirements at all, which is why its intellectual sophistication makes it more dangerous than cruder rationalizations of the same monetary fraud.

4. The Errors of MMT: Theoretical and Empirical Refutation

MMT's philosophical foundations, examined in section 3, generate specific theoretical claims that are demonstrably false. This section refutes each of MMT's principal propositions on its own terms, demonstrating that the framework fails not only morally but analytically, that its theoretical errors are foundational flaws, not peripheral qualifications, and that its empirical predictions are contradicted by the very historical record it claims to explain.

The State Theory of Money Is False

MMT's entire theoretical architecture rests on the chartalist claim that money is a state creation; that its acceptance derives from tax obligations rather than the voluntary choices of market participants; and that states therefore have inherent authority over monetary arrangements grounded in money's very nature. This foundational claim is historically false, theoretically incoherent, and, as Africonomics has established, a philosophical inversion of the actual relationship between money, markets, and state power.

As demonstrated in *Money Is Not the State: A Natural-Moral Theory of Exchange, Credit, and Money* (Tacanho, 2025), money did not originate from government design or state decree. It emerged organically from voluntary human exchange, through a decentralized, adaptive process of market discovery that predated organized states by millennia. Across diverse civilizations with no institutional connection to one another—from ancient African kingdoms and Mesopotamia to pre-Columbian America and East Asia—money arose naturally as certain commodities proved superior in facilitating trade, selected by the voluntary choices of market participants for their inherent monetary properties: durability, divisibility, portability, fungibility, and relative scarcity. Gold and silver emerged as dominant monetary commodities through this voluntary market process, not through state imposition but through the accumulated choices of countless free exchanges.

The chartalist claim that states shaped monetary adoption through tax requirements confuses historical influence with causal primacy. States have subsequently usurped, exploited, and directed existing monetary institutions through taxation, legal tender laws, and monetary monopoly. But the statist usurpation and exploitation of pre-existing monetary institutions does not constitute their creation. States did not create money any more than they created language, property, marriage, or other natural social institutions created through voluntary human cooperation. They captured money and progressively corrupted it—and MMT's state theory of money serves primarily to provide intellectual legitimacy for this capture by grounding it in money's supposed

nature rather than recognizing it as a statist usurpation of a natural-moral institution that it actually is.

The distinction between money as a natural-moral institution and currency as a particular state-controlled form of money is not semantic or terminological. It is a crucial distinction between the voluntary social institution through which human beings coordinate their productive activities and the coercive monetary instrument through which states expropriate the value that voluntary exchange creates. MMT's conflation of these two things is a fundamental philosophical confusion that its theoretical commitments structurally prevent it from resolving.

Currency Sovereignty Does Not Eliminate Monetary Constraints

MMT's claim that currency-sovereign governments face no meaningful fiscal constraint, that they cannot default on obligations denominated in their currency, is technically true in the narrow legal sense and profoundly misleading and dangerous in every sense that matters. The inability to formally default is not fiscal freedom. It merely substitutes one form of obligation failure for another. That is, replacing explicit default with the implicit default of inflation, which destroys the real value of monetary obligations through purchasing-power destruction rather than formal non-payment.

The real constraints that MMT systematically overlooks are not legal but economic and moral. Fiat monetary expansion destroys purchasing power, transferring wealth from currency holders to the monetary authority through debasement. It erodes monetary confidence as market participants recognize that the currency is being continuously debased. Once that recognition reaches critical mass, it triggers capital flight, exchange rate collapse, and an inflationary spiral that represents the market's verdict on the unsustainability of fiat monetary expansion. It causes exchange rate crises that can devastate import-dependent economies with sudden and severe contractions in real purchasing power. And it creates the conditions for the hyperinflationary endpoint that represents the terminal stage of fiat monetary systems when political pressure for monetary expansion overwhelms the constraints that residual monetary confidence provides.

MMT theorists respond to these objections by arguing that their framework incorporates inflation as the real constraint on government spending, managed through countercyclical taxation. This response fails on multiple grounds. First, it assumes a precision and reliability of policy transmission—the capacity to calibrate monetary expansion to productive capacity with sufficient accuracy to prevent inflationary expectations from forming—that no monetary authority in history has demonstrated and is untenable. Second, it ignores the political economy

of the framework itself; a government empowered by MMT's legitimization of deficit spending faces overwhelming political incentives to spend and powerful political resistance to the tax increases that MMT's inflation constraint would require. Third and most fundamentally, it treats inflation not as the institutionalized theft it actually is, a continuous expropriation of purchasing power, but as a manageable policy variable, as though the question of whether the inflation rate is 2 percent or 20 percent were merely technical rather than a question of how fast the state is expropriating the savings, wages, and economic security of ordinary currency holders.

Deficits Are Not Benign: The Moral and Economic Case

MMT's dismissal of fiscal deficits as benign, even beneficial instruments of social welfare disregards both the moral character of deficit monetization and its redistributive consequences. Every deficit financed through fiat monetary expansion, instead of honest borrowing, represents a transfer of purchasing power from current currency holders to the government and the politically connected recipients of government expenditure. This wealth transfer occurs through debasement instead of transparent taxation that would require democratic authorization. This model permanently expropriates real value from currency holders, not a temporary or reversible redistribution that leaves overall welfare unchanged.

The intergenerational dimension of this expropriation is particularly consequential and particularly invisible within MMT's analytical framework. Persistent deficits financed through fiat monetary expansion transfer real resources from future generations—who will inherit both the nominal debt obligations and the depreciated currency that persistent debasement creates—to present political actors and their constituencies. MMT's dismissal of intergenerational justice as ideological rather than principled is a consequentialist rationalization of temporal exploitation: consuming future welfare in service of present political objectives, conducted through a monetary mechanism that obscures the transfer from those who bear its costs.

The relationship between deficit monetization and the Cantillon Effect examined in the Africonomics monetary analysis is also decisive here. Deficit spending financed through fiat monetary expansion does not distribute its benefits neutrally across the economy. It distributes them according to proximity to money creation and government spending. Governments, contractors, financial institutions, and politically connected recipients capture the benefits of newly created purchasing power before inflationary effects propagate; ordinary savers, wage earners, and those on fixed incomes absorb the costs after prices have risen. MMT's macroeconomic framework, focused on aggregate employment and price level indicators, is

structured to make this redistributive reality invisible.

Inflation Is Not a Manageable Policy Variable

MMT's treatment of inflation as a controllable policy constraint, a dial that governments can turn through countercyclical taxation and calibrated monetary expansion, reflects an extraordinarily optimistic view of policy transmission precision that the historical record of monetary management does not support and that the dynamics of monetary confidence reveal to be theoretically incoherent.

The critical failure in MMT's inflation analysis is its neglect of inflationary expectations and their role in transforming manageable price pressures into self-reinforcing inflationary spirals. Inflation is not merely a technical relationship between the money supply and the price level, manipulable through policy instruments with predictable precision. It is a social phenomenon mediated by expectations, by the beliefs of millions of economic actors about the future purchasing power of the monetary unit. Once these expectations become unanchored, that is, once market participants sufficiently internalize the belief that the government will continue to expand the money supply rather than impose the politically painful taxes that MMT's inflation constraint requires, inflationary dynamics become self-reinforcing in ways that policy authorities lose the capacity to control.

The hyperinflationary episodes documented in *Magic Money Machines* (Tacanho, 2026)—Germany, Zimbabwe, Venezuela, Argentina, Angola, and over fifty additional cases across the historical record—all followed the same trajectory: initially manageable monetary expansion, gradual erosion of monetary confidence, accelerating expansion as political constraints on taxation prevented the deployment of MMT's inflation control mechanism, and eventual hyperinflationary collapse as monetary confidence failed. MMT theorists attempt to distinguish their framework from these episodes by arguing that the relevant governments faced specific constraints, such as war reparations, commodity price shocks, external debt denominated in foreign currency, that distinguished their situations from the MMT-prescribed policy context. These distinctions do not withstand scrutiny. The fundamental dynamic in each case, monetary expansion in excess of productive capacity, political inability to impose the taxation required to absorb the excess, and consequent inflationary spiral, is identical to the dynamic that MMT's framework prescribes and its inflation constraint is supposed to prevent.

The Job Guarantee Is Structural Violence

MMT's flagship policy proposal—the Job Guarantee, providing government employment at a fixed wage to all willing workers, financed through fiat monetary expansion—is presented as a humane and progressive solution to the human cost of unemployment. In the Africonomics framework, it is structural violence: a mechanism of state expansion, dependency creation, and coercive direction of labor that violates the principles of voluntary cooperation and human agency on which a structurally just economic order depends.

The Job Guarantee presupposes that the state possesses both the legitimacy and the knowledge to direct the productive labor of citizens who cannot find private employment. Both presumptions fail. The state lacks the dispersed, contextual knowledge required to direct productive labor efficiently. The same knowledge problem that defeats central planning in commodity allocation applies equally to labor allocation. State-administered employment programs historically generate bureaucratic employment that creates the appearance of productive activity while consuming real resources that free market coordination would direct toward genuinely valued uses. Additionally, the political economy of the Job Guarantee creates powerful incentives for expansion and, with it, for expanding state control. Once established as a guaranteed right financed through monetary creation, the program faces no natural limit on the wage it offers or the number of workers it absorbs, thereby becoming a mechanism for the indefinite expansion of state power and fiscal commitments financed through indefinite fiat monetary creation.

More fundamentally, the Job Guarantee violates the principle of voluntary cooperation that distinguishes civilized economic order from coercive and autocratic administration. Genuine employment emerges from the voluntary choices of employers and workers cooperating for mutual benefit within a framework of secure property rights and honest money. State-administered employment at a politically determined wage is not employment in its true sense; it is labor directed by coercive administrative authority, financed by expropriating currency holders' purchasing power, and structured to create dependency on state provision that undermines the economic sovereignty and agency of the workers it claims to serve.

The Empirical Record: What Happens When MMT Prescriptions Are Implemented

The historical record of fiat monetary expansion and deficit financing provides consistent and devastating empirical refutation of MMT's core claims. Across more than fifty documented cases of hyperinflation, including France, Germany, Hungary, Greece, China, Brazil, Venezuela,

Angola, Argentina, and many others, and across the broader record of chronic inflation, debt crisis, and chronic economic instability that has characterized the world since 1971, the pattern is consistent: fiat monetary systems produce not the state-managed prosperity that MMT promises but the structured dispossession, elite enrichment, economic devastation, state tyranny, and institutional collapse that the Africonomics monetary corpus has analyzed in detail.

MMT theorists' responses to this empirical record take two forms, neither of which successfully addresses the challenge. The first is to argue that the relevant cases involved special circumstances, such as war reparations, foreign currency debt, and commodity price shocks, that distinguished them from the MMT-prescribed policy context. As noted, this response fails because the fundamental monetary dynamics are identical regardless of the specific precipitating circumstances. The second response is to argue that MMT prescriptions have never actually been implemented, and that the monetary expansions that produced these episodes were not accompanied by the countercyclical taxation that MMT's inflation constraint requires. This response effectively admits the decisive objection to MMT as a practical policy framework; namely, that the political conditions required for MMT's theoretical inflation constraint to operate—governments willing and able to impose significant tax increases in response to inflationary pressure—have never existed and are structurally unlikely to exist in democratic systems where the political incentives favor spending over taxation. A theoretical framework whose inflation-control mechanism cannot be applied under actual political conditions is not a viable monetary theory. It is a sophisticated rationalization for fiat monetary expansion and total state power, with a disclaimer in the footnotes.

These outcomes are not random occurrences, anomalies, or results of implementation failures. They are inherent consequences of the coercive and inflationary monetary policies that MMT legitimizes. These outcomes predictably result from violating the natural-moral law principles of truth, consent, justice, and nonaggression in monetary affairs that the Africonomics Theory of Monetary Justice has established as the binding standards for legitimate monetary arrangements.

5. MMT and the Developing World: A Theory Designed for the Wrong Context

Even if MMT's theoretical claims were coherent, which sections 3 and 4 have demonstrated they are not, its policy prescriptions would remain profoundly dangerous for the developing

world, and catastrophic for Africa in particular. MMT was developed with implicit and often explicit reference to the monetary conditions of large, economically dominant, currency-sovereign states—primarily the United States, whose unique position as issuer of the world's reserve currency creates monetary conditions that have no parallel in the developing world. Applying MMT prescriptions to African monetary and fiscal policy would not replicate the conditions under which MMT theorists claim their framework operates. It would accelerate the economic devastation that neocolonial statist-fiat systems have already inflicted, and do so more comprehensively, more rapidly, and with the additional burden of academic legitimacy that makes the resulting destruction harder to diagnose and resist.

Currency Sovereignty Is Not Universal

The foundational premise of MMT's policy agenda, that currency-sovereign governments face no meaningful fiscal constraint, applies to a narrow and privileged set of monetary conditions that most developing countries, including virtually all African nations, do not possess.

Currency sovereignty in the MMT sense requires not only that a government issues its own currency, but that its currency is accepted internationally, that its monetary expansion is absorbed by international demand rather than punished through immediate exchange rate depreciation, and that it possesses sufficient geopolitical and institutional credibility to maintain monetary confidence under conditions of sustained deficit financing. These conditions are met, to varying degrees, by a small number of economically dominant countries, primarily the United States, whose dollar's reserve currency status creates international demand for dollar-denominated assets that provides a unique buffer against the inflationary consequences of fiat monetary expansion.

African nations and much of the world lack these structural features. African, Asian, and Latin American currencies are not held as international reserves. They are not demanded by international trade and financial markets in quantities that absorb domestic monetary expansion. They have limited institutional credibility, reflecting decades of arbitrary devaluation, chronic inflation, and monetary instability caused by neocolonial fiat systems. Moreover, they operate in a global monetary hierarchy—the fiat dollar standard—in which monetary expansion by peripheral economies is immediately and severely punished through exchange rate depreciation that amplifies inflationary effects, capital flight that drains the productive capital that development requires, and imported inflation that compounds domestic monetary expansion with the inflationary consequences of external monetary conditions over which developing countries' governments have no control.

For most nations, therefore, MMT's currency-sovereignty premise is false and inapplicable. African governments that attempt to implement MMT-prescribed monetary expansion do not function under the sheltered monetary conditions that MMT assumes. Instead, they function in the most exposed and vulnerable position within the global monetary hierarchy; the position in which the destructive consequences of fiat monetary expansion are most immediate, most severe, and least amenable to the policy management that MMT's inflation constraint assumes.

MMT in Africa: A Prescription for Accelerated Devastation

Applying MMT prescriptions to African monetary and fiscal policy would not produce the full employment, social welfare, and economic development that MMT promises. It would intensify, with devastating speed and comprehensiveness, precisely the fiat monetary corruption that the Africonomics monetary corpus has documented as the primary source of institutional decay, chronic instability, and economic stagnation.

Consider the consequences of implementing MMT's core prescriptions in Africa. Deficit financing through fiat monetary expansion would eliminate the residual fiscal discipline that constrains, however imperfectly, the monetization of government spending through central bank accommodation. Elite capture of newly created monetary resources—already the norm under neocolonial statist-fiat systems, as documented in *Corruption by Design: Western Statism and the Making of Africa's Institutional Decay* (Tacanho, 2026)—would accelerate, as removing fiscal constraint expands the monetary resources available for patronage distribution. Exchange rate depreciation, already a chronic feature of African monetary experience under the fiat dollar standard, would intensify as markets immediately penalized the monetary expansion that MMT prescribes. Inflationary destruction of savings—already one of the most devastating statist mechanisms of African economic impoverishment—would accelerate, destroying the capital formation that is essential for genuine economic development. Moreover, external monetary dependency—already a defining feature of Africa's position within the global monetary hierarchy—would deepen as African governments increasingly rely on dollar-denominated external financing that MMT-prescribed domestic monetary expansion makes more, not less, necessary.

The Job Guarantee, MMT's flagship policy proposal, would prove equally destructive in Africa. State-administered employment at politically determined wages, financed through monetary expansion in economies already characterized by patronage-based state employment, authoritarian regimes, and entrenched elite capture of public resources, would not create the

productive buffer stock employment that MMT theorists envision. Instead, it would expand patronage networks, accelerate monetary expansion to finance politically distributed employment, expand autocratic state power, and deepen structural dependency on state provision.

MMT is not a progressive alternative for Africa. It is the most academically sophisticated path yet proposed to the same economic catastrophe that neocolonial statist-fiat systems have already inflicted; with the additional danger that its theoretical respectability makes the resulting destruction harder to recognize, name, and resist until it has progressed to advanced stages.

MMT and Monetary Colonialism

The relationship between MMT's intellectual framework and the perpetuation of Western monetary imperialism is intrinsic, not incidental, and it represents one of MMT's most consequential dangers for Africa and the developing world.

As examined in sections 6 and 7 of *Magic Money Machines: Fiat Money as the Central Engine of Modern Corruption* (Tacanho, 2026), the fiat dollar standard is the central pillar of the contemporary Western system of global racial hierarchy and imperial domination. The dollar's reserve currency status enables the United States to finance consumption and global military dominance by creating dollars that the rest of the world must accept and hold. The international financial institutions that enforce fiat monetary arrangements across the developing world, the IMF and World Bank chiefly, perpetuate monetary dependency that serves Western hegemonic interests while constraining African monetary sovereignty. Moreover, the dismissal of sound money as ideologically motivated, as a gold fetish or a conservative prejudice rather than an essential moral and economic requirement, has been one of the most effective mechanisms through which monetary colonialism has been intellectually sustained.

MMT performs precisely this function within the prevailing consequentialist and statist intellectual landscape. By legitimizing unlimited monetary expansion as progressive policy, it provides academic cover for continuing the fiat monetary arrangements that sustain Western imperial domination. By dismissing sound money, particularly gold-backed monetary systems, as ideologically motivated constraints that serve financial elites rather than the public, it suppresses consideration of monetary alternatives that would give developing countries monetary independence from the dollar system. And by framing the constraint on government spending as ideological rather than principled, it removes from analytical consideration the natural-moral law standards that expose the fiat dollar standard, and every peripheral fiat system that operates in it, as institutionalized fraud and economic violence.

For Africa, adopting MMT would not mean monetary liberation; it would represent a profound, self-imposed form of monetary colonialism: the voluntary embrace, under the guise of progressive economic thinking, of a theoretical framework that most effectively neutralizes intellectual resistance to the monetary arrangements most responsible for African economic subordination and devastation. A continent that adopts MMT's dismissal of sound money as ideological, implements MMT's prescription of unlimited fiat monetary expansion, and accepts MMT's characterization of fiscal constraint as a conservative prejudice, will have disarmed itself intellectually against the very monetary architecture through which its continued dependency is sustained—and will have done so with the assistance of a theoretical framework presented as a tool of economic liberation.

The path to African monetary sovereignty and economic prosperity runs not through MMT but through its categorical rejection, and through the sound monetary foundations of natural-moral law that the Nilar embodies and the Africonomics monetary corpus has articulated. A framework that dismisses sound money as ideologically motivated and prescribes expanding fiat monetary systems is not a friend of African economic integration, stability, and sovereignty.

6. The MMT Mythology and Its Ideological Function

MMT presents itself as a progressive alternative to the austerity orthodoxy that has dominated mainstream economic policy, a framework that liberates governments from artificial fiscal constraints and empowers them to serve public welfare. This self-presentation deserves to be taken seriously as a claim and examined against the realities of how monetary power actually functions when the constraints MMT dismisses are removed. That examination reveals MMT's progressive packaging as a sophisticated ideological mystification; one that serves, regardless of its proponents' intentions, the institutional interests of centralized state power and financial elites whose position depends on the perpetuation of the fiat monetary architecture that MMT legitimizes.

MMT as Rationalization of Total State Power and Elite Enrichment

Strip away MMT's progressive rhetorical packaging—the Job Guarantee, the social welfare commitments, and the egalitarian framing—and what remains is a theoretical framework for the unlimited expansion of state power. MMT's core policy contribution is a new justification for removing constraints on state monetary authority that even mainstream economics treats as

binding. It provides academic respectability for what statist systems have always required: ideological cover for exercising coercive power without limits.

The capacity to expand the money and credit supply at will, to inflate the monetary base according to political objectives rather than market discipline, is, as the Africonomics monetary corpus has established, the defining pillar of statist socioeconomic systems and the primary mechanism through which the state grows into the large, far-reaching bureaucratic apparatus that controls and dominates economic and social life. Monetary inflation is not a tool that governments have occasionally misused. It is the tool through which states structurally escape the fiscal accountability that honest monetary systems impose—financing their expansion, distributing patronage to political constituencies, and transferring wealth from the majority to elites through debasement.

MMT merely provides a more sophisticated vocabulary for legitimizing this reality. The relationship between MMT and the interests of central banking, state fiscal expansion, and the financial institutions closest to money creation is not a matter of intention but of structural alignment. MMT's prescriptions expand the institutional arrangements from which these actors benefit and remove the constraints that would discipline their exercise of arbitrary power. A theory that prescribes unlimited fiat monetary expansion, dismisses fiscal restraint as ideological, and legitimizes the state's monetary monopoly as grounded in money's very nature rationalizes elite power and control dressed in the language of social welfare. It is not a theory of economic justice, stability, and flourishing.

If one strips away the theoretical sophistication and follows MMT's prescriptions to their core conclusion, what emerges is socialist-like totalitarian state control: more government employment, more fiat monetary financing of state expenditure, more dependency on state direction and provision, and more concentration of economic decision-making in political hands. At its core, MMT is a framework for unconstrained state domination—one that presents itself in the language of progressive economics rather than the language of central planning, but whose institutional implications are identical.

The Illusion of the Benevolent State

MMT's entire framework rests on an assumption about state motivation and capacity that is not only extraordinarily optimistic but historically falsified; that is, the assumption that governments, if freed from fiscal constraints, will deploy unlimited monetary power in service of public welfare rather than political patronage, elite enrichment, and the expansion of

administrative control.

This assumption does not survive contact with the historical record or with the inherent and inescapable logic of political institutions. Governments are not benevolent protectors constrained by ideological fiscal orthodoxy from serving the public interest. They are coercive, deceptive, extractive, and repressive institutions whose decision-making is shaped by political incentives—incentives to serve the constituencies, elites, and interest groups whose support sustains political power—rather than by public welfare. The historical record of fiat monetary expansion is not a record of governments prudently using monetary resources in service of full employment and social welfare, constrained only by inflationary limits that responsible technocratic management keeps in view. It is a record of governments using monetary expansion to finance wars, build patronage networks, enrich connected elites, sustain politically unsustainable commitments, and defer the fiscal reckoning that honest monetary constraints would compel—all while presenting this use of fiat monetary power as scientific macroeconomic management in the public interest.

Fiat monetary power, regardless of the ideological framework that rationalizes it, will be used in service of the interests of those who control it because those interests determine the political calculus that shapes monetary decisions. MMT assumes that the political economy of monetary policy is neutral with respect to the distribution of monetary benefits and that governments will use their unconstrained monetary capacity to pursue genuine public objectives. This assumption is empirically false, and also either astonishingly naive or deliberately deceptive. It disregards the systematic relationship between concentrated power and the interests it serves, a relationship that the Africonomics analysis of statism and institutional corruption has documented.

The most consequential victims of this situation are populations in developing economies, where state institutions are less restrained by democratic accountability, where monetary manipulation for elite benefit is more entrenched and less contested, and where the populations most harmed by fiat monetary expansion have the least capacity to resist it. For these populations, MMT's removal of fiscal constraint does not unlock resources for public welfare; instead, it removes the last institutional barriers against the unlimited expansion of the monetary predation that the Africonomics monetary corpus has documented as the primary source of systemic corruption, dysfunction, and oppression.

The Suppression of Monetary Alternatives

One of MMT's most consequential ideological functions, and one that reveals the institutional interests its framework serves, is its suppression of the sound monetary alternatives that would eliminate the state monetary power MMT seeks to legitimize and expand.

Commodity money, gold-backed monetary systems, and other sound monetary alternatives are dismissed within the MMT framework—and within the broader mainstream economics tradition from which MMT partly derives—as ideologically motivated anachronisms, gold fetishism, or technically impractical nostalgic preferences. This dismissal is an ideologically driven intellectual defense of an institutional arrangement, not the conclusion of truthful analysis. Sound monetary systems, monetary systems whose supply is limited by natural scarcity rather than political decision, eliminate the discretionary monetary power on which the state's capacity for unlimited expansion depends. They impose fiscal discipline by requiring that government spending be financed through transparent mechanisms subject to democratic accountability. They protect the purchasing power of ordinary currency holders against expropriation through debasement. And they provide the monetary sovereignty that developing nations need to escape the dollar-based system of global racial hierarchy and domination that perpetuates their subordination.

MMT's dismissal of sound money as ideologically motivated is ideological suppression of the monetary alternative most threatening to the institutional interests that unlimited fiat monetary power serves, particularly centralized and comprehensive state power. By framing the constraint on government monetary expansion as a conservative prejudice, MMT removes from analysis the monetary framework that would best protect most people from the structural dispossession enabled by fiat monetary expansion.

Beyond dismissing sound-money alternatives, MMT actively suppresses individual monetary freedom: the right of individuals and communities to choose the monetary instruments they trust and use, rather than being forced by legal tender laws to use currencies their governments debase. When governments prohibit monetary alternatives through legal tender compulsion, they violate both property rights and the natural-moral law principle of nonaggression. They force individuals to hold a depreciating currency and deny them the monetary sovereignty economic freedom requires. MMT's legitimization of state monetary monopoly extends and entrenches this suppression, thereby providing academic justification for the institutional arrangement that most effectively prevents individuals and communities from protecting themselves against the monetary fraud that MMT's prescriptions would expand.

The Nilar, Africonomics' gold-based monetary system for African monetary justice and economic sovereignty, represents precisely the kind of sound monetary alternative MMT suppresses. Its adoption by African nations would eliminate the mechanisms of monetary predation that MMT legitimizes, restore the monetary sovereignty that colonial and neocolonial statist-fiat systems have destroyed, and provide an honest monetary foundation for true African economic development and continental integration. MMT's dismissal of sound monetary systems as ideological or impractical is not monetary analysis. It is an ideological defense of the institutional arrangements that African and global monetary liberation requires transcending.

7. The Africonomics Refutation: Natural-Moral Law vs. MMT

The preceding sections have refuted MMT on its own theoretical terms, demonstrating the historical falsity of its state theory of money, the analytical incoherence of its currency sovereignty claims, the empirical contradictions of its inflation-management proposition, and the destructiveness of its policy prescriptions, particularly for Africa and the developing world. This section advances the more fundamental refutation: the natural-moral law critique that establishes MMT as fundamentally flawed and morally illegitimate; a framework whose premises violate the objective moral principles that govern all legitimate monetary arrangements.

The Africonomics Demarcation Criterion

Before developing the substantive natural-moral law refutation, it is necessary to address MMT's claim to scientific status. As demonstrated in *The Pseudoscience of Statist Economics: An Africonomics Refutation of Utilitarian and Positivist Models* (Tacanho, 2025), mainstream and statist economic models, despite their appearance of scientific rigor, are fundamentally pseudoscientific enterprises; frameworks whose mathematical sophistication and institutional acceptance conceal a foundational disconnection from truth, justice, reality, and human dignity. They enable coercive, fraudulent, confiscatory, and repressive state control over human life while presenting these models as the outputs of value-neutral technical expertise.

The Africonomics Demarcation Criterion establishes that a social or economic theory qualifies as scientific only if it satisfies four inseparable conditions: moral soundness—consistency with objective natural-moral law, including truth, justice, nonaggression, and respect for human dignity, agency, and property rights; falsifiability—core claims that are testable and open to refutation by evidence; internal coherence—logical consistency without ad hoc contradictions or

conceptual evasions; and empirical adequacy—explanatory and predictive alignment with observable reality. Any theory that legitimizes coercion, fraud, confiscation, or structural injustice fails this criterion and is therefore pseudoscientific, regardless of its mathematical sophistication or institutional acceptance.

MMT fails all four standards. It is morally unsound and systematically violates the natural-moral law principles examined below. Its core claims, particularly regarding inflation controllability and currency sovereignty, are either unfalsifiable in practice or empirically contradicted by the historical record. Its framework is internally incoherent, combining the state theory of money with market-based employment analysis in ways that generate irresolvable conceptual tensions. And its empirical predictions are contradicted by every historical episode in which governments have implemented the fiat monetary expansion it prescribes. MMT is not so much heterodox economics as it is a pseudoscientific rationalization for institutionalized monetary fraud and total state power, all presented in progressive and benevolent language.

Truth vs. MMT's Monetary Deception

Natural-moral law requires that money honestly represents the value it claims to embody, that the monetary unit accurately reflects actual productive value rather than purchasing power conjured through political decree. This is the application of the principle of truth to the foundational coordinating institution of economic life, not a technical preference about monetary design. When money misrepresents value, it corrupts every economic decision, every price signal, and every productive calculation that depends on it, thereby introducing systematic deception into the informational mechanism of economic coordination.

MMT legitimizes this deception as deliberate policy. Its prescription of fiat monetary expansion to finance government spending creates purchasing power without corresponding productive value, systematically misrepresenting the monetary unit as something it is not, deceiving currency holders about the real value of their savings and earnings, and corrupting the price signals through which rational, productive economic coordination occurs. MMT does not acknowledge this as deception. Its consequentialist framework prevents it from recognizing deception as a moral violation. In consequentialist reasoning, if fiat monetary expansion produces beneficial macroeconomic outcomes, misrepresenting monetary value is not fraud but policy. This inverts moral reality. It denies that truth is a binding constraint on legitimate monetary arrangements, regardless of the outcomes its violation might serve.

MMT is thus a theory of institutionalized monetary deception; a framework that legitimizes

the systematic misrepresentation of monetary value and lends academic respectability to the most consequential form of economic dishonesty in the modern world.

Consent vs. MMT's Monetary Coercion

Natural-moral law requires that monetary systems be accepted voluntarily, that individuals retain the freedom to use monetary instruments they trust and to reject currencies their governments debase. This is the application of the principle of consent to monetary arrangements, reflecting the recognition that human beings are moral agents with the right to determine what they accept in exchange for their productive work and savings.

MMT's entire framework rests on and requires the negation of consent. Legal tender laws, the coercive requirement to accept state-issued currency in settlement of debts regardless of its reliability or the preferences of transacting parties, are the institutional foundation without which MMT's policy prescriptions cannot function. If individuals were free to reject debasing currencies in favor of honest monetary alternatives, the market would discipline fiat monetary expansion in ways that would prevent the unlimited government spending that MMT prescribes. The suppression of monetary alternatives through legal tender compulsion is therefore not a peripheral feature of MMT-compatible monetary arrangements but their essential institutional precondition.

Implementing MMT further requires taxation to manage aggregate demand, which involves coercively extracting resources from individuals without voluntary agreement, and a central bank monopoly on currency issuance that suppresses competitive monetary alternatives. Each element of MMT's policy framework requires expanding coercive and repressive state power over economic life, reducing human beings from moral agents with the right to determine their own monetary arrangements to passive, mechanistic subjects of state economic management. Subjects who must use what the state issues, accept what the state debases, and pay what the state demands to prevent the inflation that the state's monetary expansion causes.

MMT is thus a theory of institutionalized coercion; one that expands, rather than constrains, the coercive-autocratic apparatus of state power, regardless of the progressive social goals used to justify that expansion.

Justice vs. MMT's Structural Theft

Natural-moral law requires that monetary arrangements preserve, rather than expropriate, the fruits of honest work; that individuals be able to save the value they create through productive

enterprise and retain it over time without having it silently expropriated through currency debasement. This is the application of the principle of justice to monetary arrangements: individuals are morally entitled to the value they produce, and monetary systems that expropriate that value through debasement violate justice as categorically as direct confiscation.

MMT legitimizes the continuous expropriation of purchasing power through fiat monetary expansion, systematically transferring wealth from ordinary savers, wage earners, and currency holders to governments and elites through the hidden mechanism of debasement. As established through the Cantillon Effect analysis in the Africonomics monetary corpus, this transfer is not random or incidental; it is structurally determined. Those closest to monetary creation capture the benefits of newly created purchasing power before inflation propagates; those furthest from monetary creation—ordinary workers, savers, and developing-economy populations—absorb the costs after their purchasing power has already been eroded.

MMT's consequentialist framework prevents recognition of this structural expropriation as theft and exploitation, because consequentialist reasoning evaluates monetary expansion by its aggregate macroeconomic outcomes rather than by the justice or injustice of the redistributive mechanism that produces those outcomes. If fiat monetary expansion leads to full employment or funds government spending, then the resulting loss of purchasing power for the majority is not considered theft, but a policy necessary to achieve beneficial outcomes. This is the consequentialist rationalization of institutionalized monetary injustice: the denial that systematic expropriation of purchasing power without consent violates justice as a fundamental moral principle, regardless of the aggregate outcomes it produces.

MMT is thus a theory of institutionalized monetary theft and exploitation; one that provides theoretical legitimacy for the most consequential and least visible mechanism of wealth transfer from the broader population to the state and elites in the modern world.

Nonaggression vs. MMT's Institutional Violence

Natural-moral law prohibits the initiation of force, fraud, or coercion against any person or community, establishing nonaggression as the categorical boundary between legitimate institutional arrangements and structural violence. Applied to monetary systems, the principle of nonaggression prohibits monetary arrangements that expropriate currency holders' property without consent, suppress monetary alternatives through coercive legal mechanisms, and direct economic resources through state control rather than voluntary, free-market coordination.

MMT's prescriptions require and expand every form of institutional violence embedded in fiat monetary systems and state control. Legal tender compulsion forces individuals to hold and use currencies they cannot freely reject, initiating institutional force against their monetary sovereignty. Suppressing sound monetary alternatives, such as commodity money and gold-backed currencies, denies individuals the monetary freedom economic agency requires and compels participation in a system designed to expropriate their savings. The Job Guarantee directs labor through state coercive-administrative authority rather than voluntary market coordination, substituting political determination of employment conditions for the voluntary agreements between employers and workers through which legitimate employment relationships emerge. And the inflation that MMT's monetary expansion generates violates property rights by systematically destroying purchasing power and confiscating value from currency holders without their consent, through a mechanism so diffuse and technically obscured that most victims cannot identify it as the aggression it actually is.

The verdict of natural-moral law against MMT is precise and unambiguous. MMT is not a progressive monetary theory with implementable policy prescriptions. It is a framework that violates all four principles of legitimate monetary arrangements simultaneously and systematically: truth, through institutionalized monetary deception; consent, through coercive monetary compulsion; justice, through structural theft and exploitation; and nonaggression, through the institutional violence of fiat monetary expansion and state economic management.

Fiat monetary systems are, as the Africonomics monetary corpus has established, inherently unethical, fraudulent, confiscatory, pseudoscientific, and destructive in their economic, social, and moral consequences. MMT does not transcend or reform these systems. It provides them with the most sophisticated academic rationalization yet developed, an intellectual cover for institutionalized monetary fraud that makes the fraud harder to identify, harder to resist, and harder to replace with the sound monetary alternatives that monetary justice and human flourishing require.

The Africonomics refutation of MMT is therefore an economic, moral, and civilizational verdict: MMT fails the Africonomics Demarcation Criterion completely, violates natural-moral law systematically, and constitutes a pseudoscientific rationalization for the institutionalized fraud and violence of fiat monetary systems. Africa must reject it not as a matter of economic preference, but as a prerequisite for monetary justice, economic stability, civilizational dignity, productive peace, and the sound monetary foundation essential to African economic integration, sovereignty, and prosperity.

8. What Nations Need Instead: The Africonomics Alternative

The comprehensive refutation of MMT presented in this paper leads to a singular conclusion: the fiat monetary arrangements that MMT legitimizes and proposes to expand are not solutions to economic challenges; instead, they exacerbate the root causes of these issues. What Africa and the world need is not a more sophisticated rationalization of fiat monetary power but its principled replacement with monetary institutions grounded in natural-moral law. This section presents the Africonomics alternative, not as merely one policy option among several, but as the only monetary framework that aligns with the moral principles, African civilizational heritage, and genuine human flourishing that this paper has defended throughout.

Rejecting MMT Categorically

Africa must reject MMT because it is fundamentally fraudulent, institutionally violent, and economically destructive. MMT is incompatible with the natural-moral law foundations, the African worldview, and the civilizational heritage on which African institutional and economic reconstruction must rest. MMT is incompatible with a structurally just, peaceful, civilized, stable, and prosperous socioeconomic order.

The incompatibility is total. MMT is rooted in the Western consequentialist, statist, and positivist paradigm that Africonomics has demonstrated as the philosophical foundation of sophisticated barbarism; a paradigm that subordinates moral principle to outcome calculation, denies objective moral constraints, and provides intellectual legitimacy for coercive, fraudulent, repressive, and exploitative systems through the mystifying language of technical expertise. The African worldview—theist, principled, nonrivalrous, and nonaggressive—is antithetical to the Western mechanistic, animistic paradigm. It affirms the existence of objective moral truth, the inherent dignity and agency of every person, the categorical impermissibility of fraud and coercion, and the priority of voluntary cooperation over state direction as the organizing principle of economic and social life. A monetary framework grounded in the African worldview cannot adopt MMT's prescriptions without contradicting its own foundational premises.

The relationship between MMT's intellectual adoption in African policy circles and the perpetuation of Western intellectual dependency is also decisive. As established in *Corruption by Design: Western Statism and the Making of Africa's Institutional Decay* (Tacanho, 2026), one of the most consequential dimensions of Africa's postcolonial condition is the intellectual colonization that has produced generations of African policymakers and economists trained in Western models—models that present the institutional arrangements most responsible for African

institutional decay and economic fragmentation as universal and scientifically necessary conditions of economic modernity. MMT's adoption in African discourse would deepen this dependency. It would lead African intellectuals and policymakers to embrace a Western consequentialist monetary framework that legitimizes the statist-fiat systems most responsible for African economic devastation, while dismissing sound monetary alternatives essential for African monetary sovereignty, economic integration, and genuine flourishing as ideological.

Africa's intellectual liberation from Western economic dependency requires rejecting not only the mainstream orthodoxies that have explicitly failed it and entrenched dependency but also seemingly heterodox alternatives, such as MMT and socialism, that present themselves as liberation while reproducing the violent and destructive errors of the paradigm they nominally challenge.

Sound Money as the True Progressive Alternative

The truly progressive monetary alternative, the framework that actually protects the economically vulnerable populations that MMT's egalitarian rhetoric claims to serve, is sound money grounded in natural-moral law.

This insight deserves careful attention, because it inverts the conventional framing in which MMT presents itself as progressive and sound money as conservative prejudice. The conventional framing is ideologically driven, not analytically grounded. Sound money is progressive in the only sense that matters: it protects the economic security, purchasing power, and monetary sovereignty of ordinary people against the structural expropriation that fiat monetary systems enable. Inflation—the central mechanism that MMT legitimizes and proposes to use as a policy tool—is the most regressive form of monetary redistribution available to governments. It falls most heavily on those with the least capacity to protect themselves. That is, wage earners whose compensation adjusts slowly to price increases, savers whose monetary holdings are eroded without recourse, pensioners on fixed incomes whose purchasing power is destroyed by the debasement of the currency unit, and developing economy populations whose currencies depreciate most rapidly and whose capacity to resist fiat monetary manipulation is most constrained. Sound money protects all of these populations by preventing the debasement that expropriates their hard-earned savings, stabilizing the prices that govern their economic decisions, and constraining the state monetary power whose exercise consistently serves the interests of elites rather than the populations whose welfare it claims to advance.

Fiat monetary systems, and MMT as their most sophisticated rationalization, have a long and

consistent record of failure. Fiat currencies do not stand the test of time. They have a proven record of causing severe economic, social, and moral devastation across diverse political systems, cultural contexts, and geographic regions. MMT is not a reformed or enlightened version of fiat monetary management. It merely removes the last constraints that have prevented that centralized management from being even more destructive; namely, the legitimization of unlimited fiat monetary expansion, with an inflation-control mechanism whose political economy makes it untenable.

When a society's money is sound—honest, stable, and independent of political manipulation—it becomes one of the most powerful enablers of structural justice, social stability, and economic prosperity available to human institutions. It aligns economic reward with productive contribution, constrains the state fiscal power that sustains elite enrichment, preserves the savings and economic security of ordinary people across time, and provides a stable foundation for voluntary commercial cooperation through which genuine and broad-based prosperity emerges. Sound money is the monetary expression of civilization; the institutional embodiment of the principles of truth, consent, justice, and nonaggression that natural-moral law requires of all legitimate social structures.

The Nilar as Africa's Monetary Path Forward

The concrete institutional expression of sound monetary principles for Africa is the Nilar, the gold-based monetary framework developed by Africonomics as the foundational act of African monetary sovereignty and civilizational reconstruction.

While MMT proposes expanding the fiat monetary arrangements most responsible for African institutional decay and economic devastation, the Nilar eliminates the mechanisms of that devastation at their source. It is an entirely gold-based currency system that involves neither fiat currency nor fractional reserve banking, making it structurally immune to the monetary manipulation, inflationary expropriation, and elite capture that fiat systems enable and that MMT's prescriptions would exacerbate. Its supply cannot be expanded through political decree. Its value is anchored in the objective scarcity of commodity money rather than in the institutional credibility of central banks whose incentives consistently favor debasement. And its reliability is intrinsic rather than dependent on the good intentions of monetary managers, grounded in the natural properties of gold that have made it the monetary standard of choice across diverse civilizations and historical periods.

The Nilar addresses and eliminates the monetary conditions that have sustained African

monetary colonialism. It breaks dependence on the dollar-based monetary system that has subjected African economies to chronic instability, the debt-trap mechanisms of dollar-denominated borrowing, and the conditionality systems through which international financial institutions enforce continued fiat dependence. It provides African nations with the monetary sovereignty—real and structural, not merely nominal—that true postcolonial liberation requires. It also provides an honest, stable monetary foundation for African continental economic integration, enabling intra-African trade and investment on a basis of monetary integrity and reliability rather than through the multiple currency conversions, exchange rate risks, and payment inefficiencies that currently suppress continental commercial cooperation.

Implementing the Nilar is the most effective and principled path available to Africa to escape the unjust, destabilizing, and impoverishing effects of existing fiat monetary systems, and the most decisive institutional rejection of the MMT framework, which would aggravate those destructive effects. The Nilar is more than a monetary reform. It is a declaration of African economic independence, a restoration of African sovereignty and dignity, and the foundational act of the civilizational reconstruction that Africonomics envisions. It is the institutional expression, in monetary form, of a civilization based on the natural-moral law principles of truth, justice, nonaggression, and human dignity.

9. Conclusion: Naming MMT for What It Is

This paper has advanced a comprehensive refutation of Modern Monetary Theory—theoretical, empirical, philosophical, and moral. The conclusion that emerges from this analysis is unambiguous: MMT is not a progressive monetary innovation, a heterodox alternative to mainstream orthodoxy, or a principled framework for advancing the welfare of ordinary people and developing economies. It is the most sophisticated ideological rationalization for institutionalized monetary fraud yet produced by the Western consequentialist intellectual paradigm. Its academic sophistication conceals rather than transforms the mechanism of fiat corruption it defends, and its policy prescriptions would deepen the statist-fiat models that the Africonomics framework has documented as the primary source of global institutional corruption, economic instability, structural injustice, systemic dysfunction, and state domination.

Section 2 established what MMT claims, providing a fair, detailed summary that is essential for rigorous intellectual engagement before refutation can proceed. Section 3 exposed MMT's

philosophical foundations in Western consequentialism and statism, situating it within the broader intellectual paradigm that Africonomics has exposed as the philosophical basis of sophisticated barbarism—a paradigm that MMT reproduces rather than challenges, regardless of its heterodox self-presentation. Section 4 refuted each of MMT's theoretical claims on their own terms, demonstrating the historical falsity of the state theory of money, the analytical incoherence of currency sovereignty as fiscal freedom, the empirical contradictions of inflation as a manageable policy variable, and the structural violence of the Job Guarantee as an employment mechanism. Section 5 established why MMT is particularly dangerous for Africa and the developing world, regions where the currency sovereignty conditions that MMT presupposes do not exist, where fiat monetary expansion is immediately and severely punished through exchange rate depreciation and capital flight, and where MMT's intellectual adoption would constitute a profound act of self-imposed monetary colonialism. Section 6 exposed MMT's ideological function as a rationalization of total state power and elite control, demonstrating how its progressive rhetorical packaging conceals an institutional logic that expands the coercive monetary architecture through which the majority are systematically dispossessed and exploited. Section 7 delivered the Africonomics verdict: MMT fails the natural-moral law standards of truth, consent, justice, and nonaggression simultaneously and categorically, constituting a pseudoscientific framework that legitimizes institutionalized deception, coercion, theft, and violence. And section 8 presented the principled alternative: sound money grounded in natural-moral law, and the Nilar as Africa's concrete path to monetary sovereignty, continental economic integration, and civilizational reconstruction.

The stakes of this refutation extend beyond monetary theory. MMT is gaining influence in precisely the contexts where its adoption would be most destructive: developing economies desperate for alternatives to austerity orthodoxy, African policy circles still intellectually dependent on Western models, and progressive political movements seeking theoretical justification for expanded state fiscal capacity. In each of these contexts, MMT presents itself as liberation from oppressive monetary constraints, offering governments permission to spend, employ, and invest without limit, constrained only by an inflation-management mechanism whose political economy makes it untenable. Yet this promise is not liberation. It is a dangerous trap, the most intellectually sophisticated trap yet set for those who have suffered most under the fiat monetary systems that MMT would expand without limit.

For Africa, adopting MMT would be a catastrophic intellectual failure at a moment when the continent most needs intellectual and monetary liberation. Africa does not need a more

sophisticated rationalization of fiat monetary expansion. It needs a principled rejection of fiat monetary systems and their replacement with sound monetary systems such as the Nilar. Africa does not need a framework that dismisses sound money as ideologically motivated. It needs the intellectual clarity to recognize that sound money—grounded in natural-moral law, protective of ordinary people's purchasing power, and resistant to political manipulation—is the true and liberating monetary alternative that MMT falsely claims to provide. Also, Africa need not perpetuate Western intellectual dependence by adopting yet another Western consequentialist economic model. It needs the intellectual sovereignty to articulate and implement its own monetary path forward; grounded in its philosophical heritage, aligned with its civilizational values, and institutionalized through monetary arrangements designed to serve African societies rather than the Western monetary system that has exploited them.

MMT must be named for what it is; not as a contribution to monetary understanding but as a contribution to monetary mystification, a framework that provides academic legitimacy for the institutionalized fraud and structural violence of fiat monetary systems while suppressing consideration of the sound monetary alternatives that would eliminate the totalizing state power that MMT seeks to legitimize and expand. In other words, MMT is a dangerous statist ideology that institutionalizes fraud and force, not an innovative solution to economic challenges.

The Africonomics verdict is clear and uncompromising. MMT violates natural-moral law. It fails the Africonomics Demarcation Criterion. It serves state control and elite enrichment while claiming to serve ordinary people. It would devastate Africa while claiming to liberate it. And it must be rejected, not as a matter of economic preference or technical monetary disagreement, but as a matter of moral principle, civilizational integrity, and the unwavering commitment to truth, justice, nonaggression, and human dignity that the Principled Paradigm of Africonomics represents.

The path to monetary justice and economic flourishing for Africa, and for humanity, runs not through MMT but through its categorical rejection, and through the sound monetary foundations that the Nilar embodies and that natural-moral law requires. Ending the era of magic money machines begins with ending the intellectual mystification that sustains them. This paper has made that contribution. The task now is to act on it.

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Appendices

Appendix A: MMT vs. The Africonomics Monetary Framework — A Comparative Summary

The following table compares Modern Monetary Theory and the Africonomics monetary framework across the dimensions most consequential for monetary legitimacy, institutional design, and civilizational outcomes. The contrast is not between two competing technical approaches to monetary management. It is between a consequentialist rationalization of institutionalized monetary fraud and total state power, and a natural-moral law framework grounded in the objective moral principles that form the basis of structurally just and legitimate monetary arrangements.

1. Philosophical Foundation

MMT: Consequentialist, utilitarian, and positivist. Monetary arrangements are evaluated by their functional outcomes, such as employment, price stability, and aggregate welfare, rather than by their conformity to objective moral principles. Ethics, if considered at all, are subordinated to macroeconomic calculation. Fiat monetary expansion faces no moral constraints.

Africonomics: Natural-moral law. Monetary and social arrangements are evaluated by their conformity to the objective moral principles of truth, consent, justice, and nonaggression; principles that are binding on all persons and institutions regardless of the outcomes their violation might produce. No macroeconomic objective can legitimate institutionalized monetary fraud.

2. Theory of Money's Origins

MMT: Chartalist. Money is a state creation whose acceptance is driven by tax obligations. States possess inherent monetary authority grounded in money's very nature. The state theory of money legitimizes state monetary monopoly as foundational rather than as usurpation.

Africonomics: Natural-moral institution. Money emerged organically from voluntary human exchange, through a decentralized market process of discovery and adaptation that predated organized states by millennia. States did not create money; they captured and corrupted an institution that free human cooperation had created. Money is not a state instrument of control, manipulation, and extraction but a social institution of voluntary exchange and economic

coordination.

3. Monetary Legitimacy Standard

MMT: Functional. A monetary arrangement is legitimate if it produces the desired macroeconomic outcomes, particularly unlimited government spending, full employment, and price stability. Legitimacy is instrumental and outcome-dependent. No monetary arrangement is inherently illegitimate provided it serves social goals as defined by the state.

Africonomics: Moral. A monetary arrangement is legitimate only if it conforms to the natural-moral law principles of truth, consent, justice, and nonaggression. Legitimacy is intrinsic and principle-dependent. A monetary system that violates these principles is fraudulent, violent, destructive, and illegitimate regardless of the social goals it claims to serve or the macroeconomic outcomes it produces.

4. Nature of Fiat Money

MMT: A necessary and appropriate monetary instrument for modern economies. Fiat money's flexibility, its susceptibility to expansion through political decision, is a feature rather than a defect, enabling governments to respond to economic conditions and serve public welfare without fiscal constraints.

Africonomics: Institutionalized fraud, exploitation, and violence. Fiat money is currency backed by nothing but state decree and legal compulsion, whose acceptance rests on coercion rather than voluntary market adoption, and whose operation requires the continuous and systematic violation of the natural-moral law principles of truth, consent, justice, and nonaggression. Fiat money is not a neutral policy instrument; it is the fundamental structural injustice of modern statist socioeconomic systems and the central engine of modern corruption. It is the mechanism through which the state and financial elites expropriate the majority's wealth through the hidden tax of debasement.

5. Nature of Monetary Inflation

MMT: A crucial policy tool; the expansion of the money supply to achieve macroeconomic goals, constrained by productive capacity and manageable through countercyclical taxation. Inflation (in the price level sense) is a real but manageable constraint on government spending, not a moral violation.

Africonomics: Institutionalized deception and theft. Monetary inflation, the artificial expansion

of the money and credit supply, is the systematic expropriation of purchasing power from ordinary monetary holders through currency debasement. It is legalized counterfeiting, a hidden and regressive tax that continuously transfers real wealth from the majority to governments and elites without consent, authorization, or democratic accountability. Inflation is a moral and economic crime, not a policy tool.

6. Fiscal Deficits

MMT: Neither good nor bad in themselves. Deficits are appropriate instruments of macroeconomic management when the economy operates below full capacity, and their financing through fiat monetary expansion is not problematic for currency-sovereign governments.

Africonomics: Morally consequential. Deficits financed through fiat monetary expansion constitute intergenerational theft; the expropriation of future purchasing power to finance present political expenditure through debasement. Deficits are not neutral macroeconomic instruments but mechanisms of structural wealth transfer that violate the principles of justice and consent.

7. Currency Sovereignty

MMT: The basis of monetary policy freedom. Currency-sovereign governments cannot default and face no meaningful fiscal constraint beyond inflationary pressure. Currency sovereignty is the institutional condition that MMT's entire policy agenda presupposes and seeks to exploit.

Africonomics: A legally narrow claim with profoundly misleading policy implications. The legal inability to default in one's own currency does not constitute fiscal freedom. It merely substitutes the implicit default of inflation for the explicit default of formal non-payment, destroying the real value of monetary obligations through purchasing-power destruction rather than legal non-compliance. Currency sovereignty in the MMT sense is available only to a few dominant monetary powers. For developing economies, it is largely inapplicable; and for all economies, it cannot eliminate the economic and moral constraints that civilized and legitimate monetary order imposes.

8. Role of the State in Monetary Affairs

MMT: Central and expanding. The state is the creator and manager of money, the appropriate authority for determining monetary policy objectives, and the institutional actor through which monetary resources should be deployed in service of public welfare. MMT's policy agenda

consistently expands state power and removes the constraints on its exercise.

Africonomics: Strictly limited and morally constrained. The state did not create money and has no legitimate claim to monetary monopoly grounded in money's nature. The state's proper monetary role is limited to maintaining the institutional conditions under which honest, voluntary monetary exchange can occur—namely protecting property rights, enforcing contracts, and prohibiting fraud—not directing monetary policy and managing economic life toward politically defined outcomes through the exercise of coercive power.

9. Inflation Management Mechanism

MMT: Countercyclical taxation. When monetary expansion creates inflationary pressure, governments should impose tax increases to drain excess purchasing power from the economy, maintaining the balance between aggregate demand and productive capacity that prevents inflation from accelerating.

Africonomics: Sound money. The appropriate mechanism for preventing inflationary expropriation is not the political management of the money supply through countercyclical taxation, a mechanism whose political economy makes it untenable, but the elimination of discretionary monetary power through commodity-based monetary systems whose supply cannot be expanded through political decision. The Nilar embodies this mechanism for Africa.

10. Treatment of Sound Money

MMT: Dismisses sound money (gold standards, commodity-backed currencies, the Nilar, and Bitcoin) as ideologically motivated anachronisms that impose artificial constraints on government fiscal capacity in service of financial elite interests rather than the public good. Sound money is, in MMT's framing, a conservative prejudice masquerading as monetary principle.

Africonomics: Sound money is a moral, economic, and civilizational requirement grounded in natural-moral law. It is the monetary expression of the principles of truth, consent, justice, and nonaggression that apply to all legitimate human institutions. It is not a conservative preference or a gold fetish but the essential monetary condition without which structural justice, systemic integrity, economic stability, productive peace, and genuine human flourishing cannot be sustained. The Nilar is a concrete institutional expression of sound money for Africa.

11. Employment and Labor

MMT: The Job Guarantee—the state as employer of last resort, providing employment at a

fixed wage to all willing workers, which is financed through monetary expansion. State-administered employment as the primary mechanism for achieving full employment and establishing a price anchor for the broader economy.

Africonomics: Genuine and productive employment emerges from voluntary cooperation between employers and workers within a framework of secure property rights, sound money, and free markets. State-administered employment financed through fiat monetary expansion is not genuine employment but political direction of labor by coercive authority. It is a mechanism of state domination, dependency creation, and structural repression of the free-market coordination through which genuine and productive employment emerges. The appropriate path to employment is not the Job Guarantee but the institutional conditions (sound money, free markets, property rights, minimal taxation) under which entrepreneurship and voluntary exchange organically creates productive employment.

12. Distributional Consequences

MMT: Presents itself as a framework for advancing full employment and social welfare, with distributional benefits flowing to workers and disadvantaged communities through government expenditure financed by monetary expansion.

Africonomics: The actual distributional consequences of MMT's prescriptions are determined by the phenomenon named Cantillon Effect, the reality that newly created money benefits those closest to its creation (governments, financial institutions, politically connected firms, and elites) before its inflationary effects erode the purchasing power of those furthest from money creation (ordinary wage earners, savers, and developing economy populations). MMT's egalitarian rhetoric conceals an inherent redistributive mechanism that systematically enriches elites while impoverishing the majority.

13. Implications for Africa

MMT: Presents its prescriptions as applicable to developing economies, including African nations, offering theoretical legitimization for expanded government spending on employment, social provision, and public investment.

Africonomics: MMT's prescriptions are especially catastrophic for Africa, because African nations lack the currency sovereignty conditions MMT presupposes; their fiat monetary expansion is immediately punished through exchange rate depreciation and capital flight; the African adoption of MMT would deepen rather than disrupt the Western-imposed monetary

dependency that sustains African economic and civilizational subordination; and MMT's dismissal of sound money suppresses consideration of the monetary alternatives that are essential for restoring African monetary, economic, and civilizational sovereignty.

14. Scientific Status

MMT: Presents itself as a more accurate descriptive account of how modern monetary systems function and as a scientific correction to prevailing monetary theory's ideological misconceptions about government finance.

Africonomics: MMT fails the Africonomics Demarcation Criterion on all four grounds—moral soundness, falsifiability, internal coherence, and empirical adequacy. It is a pseudoscientific, ideological framework whose apparent sophistication and institutional acceptance conceal a fundamental disconnection from moral reality, empirical accuracy, and logical consistency. Its core claims are either empirically refuted by the historical record or structured to evade empirical testing through ad hoc distinctions that immunize the theory from falsification.

15. Civilizational Vision

MMT: Technocratic. Society is a mechanistic system centrally managed by expert monetary and fiscal authorities toward state-defined aggregate outcomes. Human beings are economic units whose welfare is captured by employment statistics and price level indicators. Civilization advances through better state management of monetary and fiscal aggregates.

Africonomics: Explicitly moral. Society is a community of free moral agents with inherent dignity, natural rights, and the capacity for voluntary cooperation. Civilization is defined not by arbitrary aggregate macroeconomic outcomes but by the moral structure of human relations. That is, by the extent to which institutions respect human dignity, constrain arbitrary power, enable voluntary cooperation, and function in conformity with natural-moral law. Sound money is a civilizational institution, not a technical or ideological preference. It is the cornerstone of a structurally just, stable, dignified, and civilized socioeconomic order.

Summary Verdict

The comparison between MMT and the Africonomics monetary framework is a comparison between two fundamentally irreconcilable conceptions of monetary legitimacy, human dignity, and social order.

MMT represents a particularly dangerous application of Western consequentialist and statist

philosophy to monetary theory, a framework that eliminates moral constraints on money creation, legitimizes state monetary monopoly as based on money's nature, and provides sophisticated academic rationalization for the institutionalized fraud, exploitation, and structural violence of fiat monetary systems.

Africonomics represents the application of natural-moral law to monetary theory, a framework that establishes objective moral standards for monetary legitimacy, recognizes money as a natural and moral institution of voluntary human exchange that states have captured and corrupted, and advances a sound monetary alternative for monetary justice, systemic integrity, economic stability, productive peace, and genuine prosperity.

For Africa, the choice between these two approaches is a moral, economic, and civilizational decision: continued intellectual dependency on Western consequentialist economics that perpetuates monetary colonialism and African subordination, or the principled recovery of the sound monetary foundations that African civilizational heritage, natural-moral law, and genuine human flourishing demand.

Appendix B: Glossary of MMT Terms and Their Africonomics Reframings

The following glossary presents MMT's key terms as their proponents define and use them, followed by the Africonomics reframing that reveals their moral character, institutional function, and social consequences. The purpose is not terminological pedantry but analytical precision. The language used to describe monetary arrangements shapes the judgments made about them, and MMT's terminology is designed to present institutionalized monetary fraud as neutral technical governance. Restoring honest language is itself an act of intellectual decolonization.

Automatic Stabilizers

MMT Definition: Government spending programs, such as unemployment insurance, social welfare transfers, and tax revenue fluctuations, that automatically expand during economic downturns and contract during expansions, stabilizing aggregate demand without requiring explicit policy decisions.

Africonomics Reframing: Mechanisms of fiscal expansion financed through money creation that entrench dependency on state provision, expand the coercive, confiscatory, and repressive

apparatus of government at the expense of free-market coordination, and are funded through the inflationary expropriation of ordinary currency holders' purchasing power. The "stabilization" they offer creates an illusion of stability, achieved at the expense of the monetary integrity and fiscal discipline necessary for actual economic stability. Economic stability is fundamentally incompatible with fiat monetary systems.

Buffer Stock Employment

MMT Definition: The mechanism through which the Job Guarantee achieves price stability by maintaining a pool of government-employed workers whose wages establish a price floor for labor. This expands and contracts with private-sector demand, anchoring the price level without relying on unemployment to control inflation.

Africonomics Reframing: A euphemism for state direction of labor at politically determined wages, financed through fiat monetary expansion. The "buffer stock" of government-employed workers is not a market mechanism but an administrative one—a state-managed labor pool whose existence requires continuous financing, whose wages are set by political rather than market processes, and whose expansion increases structural dependency on state employment that displaces the genuine voluntary market employment through which productive economic cooperation naturally emerges.

Currency Sovereignty

MMT Definition: The condition enjoyed by a government that issues its currency, controls its central bank, and maintains debts denominated in its monetary unit, enabling it to meet all financial obligations through currency issuance and therefore face no default risk.

Africonomics Reframing: A legally accurate but economically and morally misleading claim. The legal inability to default in one's own currency does not constitute fiscal freedom; it merely substitutes the implicit default of inflation for the explicit default of formal non-payment, destroying the real value of monetary obligations by eroding purchasing power. For most developing economies, including virtually all African nations, currency sovereignty in the MMT sense does not exist. Their currencies are not reserve currencies, their money creation is punished more rapidly and severely through exchange rate depreciation and capital flight, and their overall fiat expansion causes the inflationary devastation that currency sovereignty is supposed to prevent. Currency sovereignty, as MMT uses the term, primarily describes the monetary privileges enjoyed by the United States, whose dollar's reserve-currency status creates conditions with no

parallel for most of the world's economies.

Deficit Spending

MMT Definition: Government expenditure in excess of tax revenue, which MMT presents as neither inherently problematic nor fiscally irresponsible for currency-sovereign governments, but as an appropriate instrument of macroeconomic management.

Africonomics Reframing: When deficit spending is financed through fiat monetary creation rather than honest borrowing, it transfers real purchasing power from currency holders, who bear the inflationary cost, to the government and politically connected recipients of its expenditure, without their consent and without democratic authorization for the fiscal transfer. It is taxation without legislation and confiscation without representation; the mechanism through which states finance political goals at the expense of the populations whose savings and earnings are silently expropriated through the debasement used to fund it.

Government deficit spending—particularly under the fiat dollar standard, where it is financed not through transparent taxation or honest borrowing but through the covert mechanism of fiat monetary expansion—is one of the central engines of structural injustice, chronic instability, economic inequality, technocratic tyranny, systemic corruption, elite enrichment, social impoverishment, and moral decay in modern statist socioeconomic systems. It enables states to appropriate real resources without democratic accountability, sustain patronage networks without fiscal constraint, finance imperial aggression, and continuously transfer wealth from the majority to political and financial elites through the hidden and regressive tax of monetary debasement—all while presenting this institutionalized theft and exploitation as scientific macroeconomic management in the public interest.

Employer of Last Resort

MMT Definition: The government's role under the Job Guarantee as the provider of employment to all willing workers who cannot find private sector jobs, establishing an inflation-stabilizing buffer stock of employed labor and ensuring that the human cost of economic downturns falls on government employment rather than involuntary unemployment.

Africonomics Reframing: The state as manager of labor; an institution that claims the authority to employ and direct the labor of those whom voluntary market coordination has not absorbed, financed through fiat monetary expansion and administered through political rather than market processes. The Employer of Last Resort role does not generate genuine or productive

employment—work that creates value others voluntarily choose to purchase. Instead, it creates administrative jobs that are financed through inflationary expropriation. The value of this work is determined by political authority rather than by the voluntary choices of those who would benefit from it. This statist system is sustained by continuous fiat monetary expansion, which the Africonomics monetary corpus has identified as the central driver of modern corruption.

Exogenous Money

MMT Definition: The mainstream monetary theory position, which MMT rejects, that the money supply is determined exogenously by the central bank, which controls the quantity of money in circulation. MMT argues instead for endogenous money creation, in which commercial bank lending drives monetary expansion.

Africonomics Reframing: Whether the money supply is exogenously controlled by central bank decision or endogenously driven by commercial bank lending, the fundamental moral and economic reality is identical: fiat monetary systems create purchasing power without corresponding productive value, transfer wealth from the many to the few, and violate the natural-moral law principles of truth, consent, justice, and nonaggression. The exogenous versus endogenous debate is a technical distinction within the architecture of fiat monetary fraud, not an analytically decisive difference between legitimate and illegitimate monetary arrangements.

Fiscal Space

MMT Definition: A government's capacity to increase spending or reduce taxation without endangering fiscal sustainability. In the MMT framework, currency-sovereign governments possess unlimited fiscal space, constrained only by real resource availability and inflationary pressure.

Africonomics Reframing: The monetary capacity to expropriate additional purchasing power from the population through debasement without triggering immediate confidence collapse. “Fiscal space” is not a source of actual fiscal capacity but a measure of how much additional wealth can be extracted from monetary holders through inflationary financing before the population's remaining confidence in the currency erodes sufficiently to cause the exchange rate crises, capital flight, and hyperinflationary dynamics that mark the terminal stages of fiat monetary systems. For African economies, whose currencies already face chronic inflationary issues and whose populations have limited capacity to protect themselves from monetary debasement, “fiscal space” in the MMT sense is effectively nonexistent.

Functional Finance

MMT Definition: The governing fiscal principle, derived from economist Abba Lerner. It holds that government fiscal policy should be evaluated not by balanced budgets or debt sustainability, but instead by its functional effects on the economy. That is, whether it achieves desired levels of employment, price stability, and economic activity.

Africonomics Reframing: Consequentialism applied to fiscal policy; the elimination of moral constraints on government spending and monetary expansion in favor of outcome-based evaluations that render fiscal arrangements morally acceptable as long as they produce claimed macroeconomic benefits. Functional finance is the theoretical mechanism through which MMT eliminates the moral constraints that would otherwise prohibit deficit monetization as institutionalized theft. By evaluating fiscal arrangements by their functional consequences rather than by their conformity to objective moral principles, it makes the expropriation of ordinary people's purchasing power through debasement appear as legitimate macroeconomic management. It is a fiscal expression of the consequentialist ethics that Africonomics has identified as the philosophical foundation of sophisticated barbarism.

High-Powered Money

MMT Definition: The monetary base—currency in circulation plus commercial bank reserves held at the central bank—created by the central bank through asset purchases, lending to commercial banks, and government deficit spending. The foundation from which commercial bank credit expansion multiplies.

Africonomics Reframing: The foundational layer of fiat monetary fraud; purchasing power created from nothing by the central bank through accounting entries rather than productive activity, whose expansion enables the subsequent multiplication of additional purchasing power through fractional reserve bank lending. High-powered money is the mechanism through which the state acquires real resources without producing real value. It is the monetary base of a system of legalized fraud that operates continuously through the normal functioning of central banking and becomes invisible through the technical complexity of its operation.

Horizontal Money

MMT Definition: Money created through commercial bank lending; the endogenous creation of purchasing power through the extension of credit, which expands and contracts with the demand for loans rather than being exogenously controlled by central bank decisions.

Africonomics Reframing: The second layer of fiat monetary fraud; purchasing power conjured into existence by commercial banks through accounting entries, representing money that did not exist before the loan's issuance and on which interest is collected as though it constituted the lending of actual existing resources. As established in the Africonomics refutation of fractional reserve banking, horizontal money creation is the second of fractional reserve banking's two fundamental frauds: creating fictitious purchasing power through lending and extracting interest payments for the use of value manufactured from nothing.

Inflation Targeting

MMT Definition: A mainstream monetary policy framework that MMT incorporates in a modified form. Under this approach, central banks commit to maintaining inflation within a defined target range, typically around two percent, by using interest rate adjustments and other monetary policy tools.

Africonomics Reframing: As established in *The Arbitrary Nature of Inflation Targeting* (Tacanho, 2025), inflation targeting is an arbitrary technocratic contrivance designed to normalize chronic currency debasement as responsible monetary management. The two percent inflation target has no basis in economic principle, no sound theoretical justification, and no empirical necessity. It is a central bank decision that institutionalizes the continuous erosion of currency holders' purchasing power at a politically manageable rate, while presenting this continuous expropriation as scientific monetary management. Inflation targeting does not constrain fiat monetary expansion in service of monetary integrity. It legitimizes continuous debasement within a politically determined range while providing institutional cover for the systemic theft it represents.

Job Guarantee

MMT Definition: MMT's flagship policy proposal; a federally funded program that offers employment at a fixed base wage to all willing workers, functioning as an automatic stabilizer that expands during recessions and contracts during recoveries. It also provides a price anchor for the broader economy through the buffer-stock employment mechanism.

Africonomics Reframing: A mechanism of state power expansion, labor direction, and structural dependency creation financed through fiat monetary expropriation. The Job Guarantee does not create genuine and productive employment (work that creates value others voluntarily choose to purchase at market-determined wages). It creates administrative employment at politically

determined wages, financed through the inflationary expropriation of currency holders' purchasing power, and structured to create structural dependency on state provision that displaces the free-market coordination through which actual employment and sound economic development emerge. It also violates the principles of voluntary cooperation and human agency that the Principled Paradigm of Africonomics affirms, and would prove catastrophic in African contexts where Western statist models have already entrenched patronage-based state employment, autocratic systems of government, and fiat monetary systems as primary sources of institutional decay and systemic oppression.

Monetary Sovereignty

MMT Definition: Equivalent to currency sovereignty; the condition in which a government issues its currency, controls its monetary policy, and maintains debts in its monetary unit, thereby enabling full fiscal flexibility constrained only by real resource availability and inflationary pressure.

Africonomics Reframing: True monetary sovereignty, as opposed to the legal-formal condition MMT describes, is the capacity of a nation and its people to use honest money whose value is not subject to political manipulation, external monetary imperialism, or the inflationary expropriation of fiat debasement. True monetary sovereignty is not the state's power to create and debase the currency without limit. It is the people's freedom to use honest money that preserves the value of their productive work without being subjected to the hidden confiscation of fiat monetary expansion. The Nilar embodies true monetary sovereignty; MMT's currency sovereignty enables the opposite: the state's unlimited power to expropriate its population's purchasing power through fiat monetary authority.

Money Multiplier

MMT Definition: A concept from mainstream monetary theory, largely rejected by MMT, that describes how commercial banks multiply base money through lending, creating a multiple of deposits for each unit of reserve money. MMT argues that this account misrepresents how credit creation actually functions, with bank lending driven by demand rather than reserve availability.

Africonomics Reframing: Whether the money multiplier accurately describes the mechanics of credit expansion or MMT's endogenous account better captures the process, the moral and economic reality is unchanged: commercial bank lending creates purchasing power through accounting entries without corresponding productive value, thereby violating the principles of

truth and justice in monetary arrangements. The technical debate between the money multiplier and endogenous money accounts is a dispute about a mechanism of fiat corruption, not about whether fiat monetary expansion constitutes institutionalized fraud. It does, regardless of which technical account of its mechanics is more accurate.

Quantitative Easing (QE)

MMT Definition: A monetary policy tool through which central banks purchase financial assets, typically government bonds, using newly created money, expanding the monetary base and injecting liquidity into the financial system. MMT views QE as consistent with its account of government monetary operations.

Africonomics Reframing: A sophisticated euphemism for money creation; the mechanism through which central banks expand the money supply by purchasing financial assets with purchasing power conjured from nothing. As the Africonomics monetary corpus has established, QE is not a neutral liquidity provision mechanism but a structured wealth transfer. The purchasing power it creates flows first to the financial institutions and asset holders closest to the central bank's operations, driving asset-price inflation that enriches the wealthy while the broader inflationary consequences of monetary expansion erode the purchasing power of the majority. QE is the Cantillon Effect institutionalized as monetary policy, elite enrichment through fiat monetary expansion presented as macroeconomic stabilization.

Sectoral Balances

MMT Definition: A central accounting identity in MMT's analytical framework. The financial balances of the three main economic sectors—government, private domestic, and foreign—must sum to zero. In other words, government deficits must equal private-sector surpluses. This leads MMT to conclude that government deficits are necessary to sustain private-sector savings.

Africonomics Reframing: A valid accounting identity whose policy implications MMT systematically overstates and morally misdirects. That government deficits correspond to private-sector surpluses in accounting terms does not establish that those deficits should be financed through fiat monetary expansion or that their inflationary consequences are an acceptable price for private-sector savings. The sectoral balances identity establishes a mathematical relationship among financial stocks. It does not establish a moral license for deficit monetization, a fiscal obligation to generate government deficits, or an economic necessity for the inflationary expropriation through which MMT proposes to finance those deficits. The

identity may be sound; the policy conclusions MMT derives from it are not.

Sovereign Currency

MMT Definition: A currency issued by a sovereign government, controlled by its central bank, and not convertible into or constrained by any external monetary anchor such as gold or a foreign currency peg. Sovereign currency underpins MMT's currency-sovereignty claims and fiscal policy prescriptions.

Africonomics Reframing: A fiat currency; money whose value rests on nothing but state decree and legal compulsion, whose acceptance is enforced through legal tender laws that prevent honest monetary alternatives, and whose supply is expandable at political discretion without any constraint of objective value. The “sovereignty” of a sovereign currency is the state's sovereignty to debase its population's monetary holdings at will, not the people's sovereignty to use honest money that preserves the value of their productive work. True monetary sovereignty is achieved through sound money such as the Nilar, which cannot be debased by political decision and whose value rests on objective commodity scarcity rather than state decree.

Vertical Money

MMT Definition: Money created by the state through government deficit spending and central bank operations. The “vertical” injection of net financial assets into the private sector that MMT identifies as the foundation of the monetary system, distinct from the “horizontal” money created through commercial bank lending.

Africonomics Reframing: The primary layer of fiat monetary fraud; purchasing power created by the state through the exercise of its coercive monetary authority, injected into the economy through government spending financed by fiat monetary expansion rather than honest resource mobilization. Vertical money is not a neutral financial transfer that adds net assets to the private sector at no cost. It confiscates real value from existing currency holders by diluting their purchasing power through the diffuse, technically obscured mechanism of monetary debasement. Every unit of “vertical” money created by the state is a unit of purchasing power extracted from those who already hold the currency—institutionalized theft made invisible by the complexity of monetary operations.

Summary Note

The pattern across all of MMT's key terms is consistent and revealing. MMT's technical vocabulary performs a single ideological function: presenting the mechanisms of institutionalized monetary fraud and total state power—currency debasement, fiat expansion, state monetary monopoly, and deficit monetization—as neutral technical instruments of macroeconomic management, thereby rendering invisible the moral violations, economic aggressions, structural wealth transfers, and institutional corruptions that these mechanisms constitute.

The Africonomics reframings restore honest language essential to accurate moral and economic analysis. They reveal MMT not as a sound advance in monetary understanding but as a sophisticated vocabulary for legitimizing what the Africonomics Theory of Monetary Justice has established as the foundational corruption of the modern statist global order. For Africa, whose populations have borne the most devastating effects of the fiat monetary systems that MMT's vocabulary legitimizes, adopting MMT's language would be an act of intellectual self-disarmament at the moment when the intellectual clarity to name and resist Western monetary corruption, fraud, and imperialism is most required.

The Nilar, and the monetary framework of Africonomics more broadly, need no such deceptive vocabulary. They require only honest language; the language of truth, justice, nonaggression, and the inherent dignity of every human person whose purchasing power, savings, and economic sovereignty fiat monetary systems systematically violate.

Appendix C: MMT as a Symptom of the Western Consequentialist and Statist Paradigm

Modern Monetary Theory should not be understood merely as an unconventional theory of state finance. Its growing prominence reveals something considerably more profound about the philosophical, economic, and political order within which it has emerged. MMT has gained influence because its foundational assumptions are not as radical within the contemporary Western paradigm as they initially appear. Instead, they represent a logical extension of principles that have already been normalized within modern statist economics and governance.

MMT has arisen within a Western consequentialist, statist, and Darwinian paradigm that has legitimized institutional coercion, deception, manipulation, repression, extraction, and

exploitation as permissible instruments of socioeconomic governance. Under this mechanistic-animalistic paradigm, political institutions are granted powers that would ordinarily be recognized as morally impermissible when exercised by individuals or private organizations, provided those powers are used to pursue politically sanctioned collective objectives.

The state may confiscate property through taxation. It may compel economic behavior through regulation. It may prohibit voluntary transactions. It may manipulate the monetary unit in which contracts, savings, wages, and prices are denominated. It may create new money and thereby redistribute purchasing power without the consent and democratic authorization of those whose monetary holdings are diluted. It may impose legal tender regimes that privilege politically controlled currencies. And it may use the resulting financial architecture to expand its control over economic and social life.

These coercive, corrupt, confiscatory, repressive, and exploitative practices have become so institutionalized and normalized that the fundamental moral question—whether political authority possesses a legitimate right to undertake them at all—has disappeared from mainstream economic analysis and political discourse.

MMT does not create this problem. It exposes how far the problem has already progressed.

From Limited Government to Fiat Monetary Sovereignty

Monetary sovereignty is central to MMT. According to the theory, a government that issues its own fiat currency does not face the same financial constraints as a household, business, or currency user. It can issue the monetary unit required to meet obligations denominated in that currency, subject only to real-resource constraints and inflation rather than an ordinary requirement to acquire money before spending it.

As a descriptive observation about the mechanics of contemporary fiat monetary systems, aspects of this claim matter. But the transition from description to political prescription contains an enormous moral assumption. The fact that a state can create currency does not mean it ought to. Nor does technological or institutional capacity establish moral legitimacy.

This distinction between capacity and right is precisely what consequentialist economics systematically obscures. Once economic policy is evaluated according to intended or aggregate outcomes, such as employment, output, growth, redistribution, price stability, development, or other macroeconomic objectives, the morality of the means employed becomes subordinate to the desirability of the ends pursued. Africonomics rejects this inversion.

Natural-moral law places moral constraints on political action precisely because desirable objectives cannot legitimize intrinsically unjust means. If fraud, confiscation, coercion, or involuntary redistribution are morally impermissible between individuals, political institutions cannot acquire an exemption merely by describing their objectives as public policy. The relevant question is therefore not simply whether sovereign currency issuers possess the institutional capacity to finance expenditure through monetary creation. The prior question is: by what legitimate moral authority may they alter the purchasing power and economic claims of other human beings without their voluntary consent?

MMT cannot evade this question indefinitely by appealing to accounting identities, sectoral balances, unused productive capacity, or inflation constraints. Those considerations concern economic consequences. They do not establish moral legitimacy.

MMT Radicalizes an Existing Statist Logic

Seen from this perspective, MMT is far less revolutionary than its advocates sometimes portray it. Its underlying political logic already exists throughout mainstream Western economics. Keynesian fiscal management accepts government manipulation of aggregate demand. Central banking accepts political management of money and credit. Inflation targeting accepts deliberate depreciation of currency purchasing power as legitimate economic policy. Progressive taxation accepts compulsory redistribution. Industrial policy accepts political direction of capital. Regulatory states accept extensive interference with voluntary economic relationships.

MMT's distinctive contribution is not the invention of monetary statism but the removal of some of the remaining intellectual restraints around it. Monetary statism is the established norm, institutionalized and normalized worldwide by the Western paradigm of global racial hierarchy and domination.

Where conventional fiscal discourse asks how governments will “pay for” expenditure, MMT emphasizes that a monetary sovereign is the issuer rather than merely a user of currency. Where traditional policy discussions treat taxation principally as a source of government revenue, MMT emphasizes additional functions, including generating demand for the state's currency, managing aggregate demand, and withdrawing purchasing power from the economy.

The implications are profound. Money becomes understood less as a social institution that facilitates voluntary exchange, economic calculation, saving, and cooperation, and more as an instrument through which political authority organizes, controls, and manages economic life.

Taxation similarly ceases to be understood merely as the financing mechanism of government and becomes an instrument through which the state can regulate the population's command over economic resources.

From an Africonomics perspective, this does not represent monetary sophistication or scientific economic management but the culmination of a morally bankrupt, deeply corrupt, and heavily statist conception of society. The individual is subordinated to the mechanistic, technocratic macroeconomic system. Property rights are nominal and conditional. Money is political infrastructure. And government is the administrator of economic possibilities.

The Consequentialist Foundation

MMT's moral problem therefore precedes its monetary propositions. It arises from consequentialism. Within consequentialist reasoning, political actions are justified by their anticipated outcomes rather than constrained by objective moral principles that govern the means by which those outcomes may legitimately be pursued. This makes total state power and political domination defensible.

If creating money can increase employment, why should monetary creation be prohibited? If taxation can restrain inflation, why should confiscatory taxation be morally constrained? If deficits can mobilize unused resources, why should governments accept fiscal limitations? If monetary sovereignty allows society to accomplish politically desirable objectives, why should inherited ideas about fiscal restraint prevent their realization?

Once the argument is framed this way, the conclusion appears almost inevitable. But the premise contains the problem. Africonomics begins elsewhere. It asks whether the action itself respects human dignity, agency, property, consent, and natural-moral law. This is a fundamentally different approach to economics, governance, institutional design, and social order.

Consequentialism asks: what outcomes can the state produce? Africonomics asks first: what may one human being legitimately do to another?

State power cannot erase the moral significance of that question.

Fiat Money and Institutionalized Deception

MMT also depends on the prior normalization of fiat money. Without politically monopolized fiat currencies, central banks, legal tender frameworks, and highly centralized fiscal institutions, all of which rest on coercive state power, the expansive conception of fiat monetary sovereignty

advanced by MMT would lose its practical foundation.

This is why MMT should be understood within the broader history of monetary statism rather than evaluated in isolation. Modern fiat monetary systems permit governments and their monetary institutions to create additional units of currency without producing corresponding real wealth. Newly created money nevertheless enters the economy with purchasing power and therefore alters claims on existing goods, services, labor, and capital.

The consequences are redistributive. New money does not enter every person's possession simultaneously or proportionately. Its creation changes relative purchasing power, asset prices, contractual relationships, savings, investment decisions, and the distribution of economic resources. From an Africonomics perspective, the crucial issue is therefore not simply whether a particular monetary expansion produces a measured consumer-price increase. The more essential issue concerns monetary justice.

A monetary system cannot be considered just merely because its redistributive consequences remain below an administratively selected inflation threshold. If monetary institutions systematically allow some actors to obtain purchasing power through currency and credit creation while others must obtain the same purchasing power through production, exchange, saving, or labor, a fundamental asymmetry and structural injustice have been institutionalized.

MMT does not resolve that asymmetry. It gives the state a more elaborate intellectual justification for entrenching and exploiting it.

The Darwinian Dimension: Power Elevated Above Principle

The connection between MMT and the broader Western Darwinian paradigm is also important. The relevant Darwinian element is not biological evolutionary theory itself, but the political anthropology that conceives and treats human society through a lens of competition, power, control, scarcity, and collective struggle rather than through moral agency, voluntary cooperation, shared humanity, and peaceful relations.

Within such an animalistic worldview, the state emerges as the dominant organizing institution capable of mobilizing resources, allocating burdens, directing production, and determining collective priorities. Economic relations consequently have become questions of political management. Who receives resources? What industries should expand? How much consumption should be permitted? What level of inflation is acceptable? Whose purchasing power should be reduced? Which goals deserve fiscal priority? These have become matters for centralized political

determination.

Africonomics offers a fundamentally different anthropology. Human beings are not economic material or mechanistic units to be administered by technocrats. They are not cogs in the machinery of centralized state control and management of society. They are morally conscious persons with inherent dignity, agency, and natural rights. Economic order emerges primarily through their voluntary relationships across production, entrepreneurship, exchange, saving, investment, specialization, cooperation, and trade.

The economy is a living network of human choices, actions, and relations. It is society itself, not a mechanical system to be centrally managed and manipulated. It is not an object belonging to the government. Once this is understood, the moral obscenity and structural violence of treating society as something that state authorities can and must fine-tune through monetary manipulation, fiscal extraction, and systemic coercion becomes considerably clearer.

Africonomics rejects the Western mechanistic-animalistic anthropology that underpins modern social sciences and establishes that humans are distinctly human—moral beings with inherent dignity, agency, and capacity for ethical discernment, not mechanistic units or evolved animals. Social systems therefore must align with objective moral truths and reflect human moral nature. Social systems built on consequentialist assumptions inevitably become oppressive, exploitative, and destructive as they fail to recognize, much less respect, the inherent worth and moral agency of the individual.

Why MMT Was Able to Gain Influence

The growing acceptance of MMT over the past decade should be understood as a symptom of a much larger moral, intellectual, and institutional crisis. A civilization firmly grounded in objective moral limits on political power would encounter MMT's prescriptions with immediate skepticism. The proposition that governments should exploit their currency-issuing capacity more aggressively would immediately encounter questions concerning property, consent, monetary integrity, political incentives, institutional corruption, and the moral limits of state authority.

Yet within the prevailing Western paradigm, many of these boundaries have already disappeared. Coercive governance is normal. Government management of money is normal. Central-bank manipulation of interest rates is normal. Systematic currency debasement is normal. Massive government debt is normal. Confiscatory taxation is normal. Economic surveillance is

normal. Regulatory repression of voluntary economic life is normal. And political allocation of capital is increasingly normal.

Against this institutional background, MMT appears less like a revolution than an escalation. It tells governments within a statist paradigm that one of the remaining perceived restraints on the political ambition of total state power—the supposed requirement to obtain money before spending it—is misunderstood for sovereign currency issuers.

The theory arrives at precisely the historical moment when Western states face chronic deficits, enormous debts, aging populations, expansive welfare commitments, militarization, political polarization, slowing productivity growth, and growing demands for more government intervention. Hence, its political appeal should be unsurprising.

MMT offers an intellectual framework through which governments can reinterpret fiscal constraint not primarily as a discipline on political power but as a misunderstanding of monetary operations. That proposition is extraordinarily attractive to political institutions.

A Damning Indictment of Modern Western Economics

MMT's significance therefore extends beyond the technical debate over deficits. Its rise constitutes a damning indictment of the philosophical condition of modern Western economics. A discipline that had maintained a principled conception of property, money, human agency, and the moral limitations of government could not easily have arrived at a theory in which the state's currency-issuing capacity becomes the foundation for comprehensive discretionary political power.

Mainstream economics progressively detached economic analysis from moral philosophy. Positivism encouraged economists to treat ethical questions as external to economic science. Utilitarianism provided an intellectual mechanism to legitimize coercive, confiscatory, and repressive policies based on aggregate outcomes. Macroeconomics has transformed individuals into statistical aggregates. Central banking normalized monetary fraud and manipulation. Keynesianism normalized state economic management. The administrative state normalized technocratic dehumanization.

MMT emerged and gained influence within this intellectual environment. An intellectual and institutional environment in which centralized and technocratic systems of state coercion, deception, manipulation, repression, extraction, and exploitation are legitimized and normalized as instruments of socioeconomic governance. MMT thus represents the logical destination of an

economics that asks increasingly sophisticated questions about how political institutions can manage society while neglecting the more fundamental question of whether they have the moral right to do so.

The problem is much larger than MMT. MMT is a symptom. The underlying disease is a philosophical paradigm that has severed economics from objective morality and consequently normalized the arbitrary-coercive governance, centralized power, state domination, systemic corruption, chronic instability, structural violence, and sophisticated barbarism of the Western consequentialist, statist, and Darwinian paradigm under which humanity lives.

This is why the growing influence of Modern Monetary Theory should be taken seriously even if MMT itself never becomes the formally declared doctrine of most governments.

Its importance lies partly in what it reveals. It reveals how thoroughly fiat money has normalized the political manipulation of monetary value. It reveals how deeply consequentialism has displaced principled moral reasoning in economics. It reveals how readily property rights can become subordinate to macroeconomic objectives. It reveals how expansive, essentially totalitarian, the modern conception of state authority has become. And it reveals the intellectual consequences of treating human society as a mechanistic administrative system rather than a moral order constituted by free persons.

MMT does not represent a departure from the Western consequentialist, statist, and Darwinian paradigm. It represents that paradigm approaching its logical monetary conclusion.

Once government is accepted as the legitimate manager of society, once money is accepted as an instrument of state control and technocratic economic management, once property rights are made conditional on collective objectives, and once consequentialism permits coercive means whenever sufficiently desirable ends can be asserted, the intellectual barriers against MMT have already largely collapsed.

The extraordinary fiat monetary power prescribed by MMT is not an aberration; it is the culmination of premises that modern Western political economy has spent generations normalizing.

From Monetary Barbarism to Monetary Justice

Africonomics rejects these premises at their foundation. The purpose of monetary institutions is not to maximize the financial capacity of governments. It is to facilitate peaceful human

cooperation and flourishing through an honest, stable, and nonpoliticized currency that reliably performs its essential functions as unit of account, medium of exchange, and store of value.

The true measure of monetary civilization is therefore not how much economic activity the state can finance nor how technical a monetary arrangement is. It is how effectively the monetary order protects human beings from arbitrary monetary expropriation and manipulation. It is the people's freedom to use honest money that preserves the value of their productive work without being subjected to the hidden confiscation of fiat monetary expansion.

This requires replacing monetary sovereignty understood as state power and control with monetary justice understood as principled institutional order. It requires recognizing that governments are subject to the same objective moral principles that govern all human relations and institutions. It requires restoring property rights and voluntary exchange to the foundations of monetary analysis. And it requires rejecting the consequentialist proposition that politically desirable ends can justify fraudulent, coercive, confiscatory, or otherwise unjust means.

The rise of MMT is an indictment and a warning, not a commendable intellectual episode in the history of economics.

A society that abandons principled constraints on political authority soon discovers that there is almost no limit to what can be rationalized in the language of public policy. Modern Monetary Theory demonstrates how far that process has already advanced under the Western paradigm. Its growing influence is not evidence of the maturation of monetary economics, but instead evidence of the profound moral, philosophical, and epistemological disorientation of a discipline—and a political order—that has substituted power for principle, coercive management for voluntary cooperation, and monetary fraud for monetary justice.

The Principled Paradigm of Africonomics begins by reversing that hierarchy. Principle must constrain power. Justice must constrain policy. And money must serve human flourishing, not political domination.

PUBLICATION:

The Fraud and Violence of Modern Monetary Theory: An Africonomics Refutation of
MMT Mythology

Afrindependent Institute Academic Paper No. 009/2026

www.afrindependent.org/publications

