

## The German or Berlin School of Monetary Freedom of 1932

The most important thinkers of the German School of Monetary Freedom were Ulrich von Beckerath, Prof. Heinrich Rittershausen and Dr. Walter Zander. In 1932, the circle expanded to include Walter Unger, Dr. Gustav Ramin, Dr. Walter Munzer and Hans Meis. Ulrich von Beckerath was an actuary, advisor to building and loan associations, cooperative socialist (member of the SPD throughout his life) and private scholar. Heinrich Rittershausen had a lectureship on mortgage banking at Frankfurt University at the time. Dr. Walter Zander was a lawyer and notary public, he emigrated from Germany in 1935 and lived in London after the war. Walter Unger was co-owner of the Hotel Kempinski; he was deported to Auschwitz in 1943 and murdered there. Dr. Gustav Ramin was chairman of Deutschland Rückversicherungs-AG, Munzer was an economist and government councilor to Chancellor Brüning, later emigrated to Canada and died there shortly after the war. Edgard Milhaud, professor of political economy at the University of Geneva, should be mentioned, too. He also wrote relevant articles and published books of the group in the "[Annals of Collective Economy](#)" in four languages. The 1932 committee had one overriding goal: to prevent the Nazi government. The group developed the „[Four Law Drafts](#)“ by means of which monetary reform was to be implemented under Chancellor Brüning. Brüning wanted to implement this by emergency decree; the four bills, prepared for signing, were already on his desk; three days before the implementation, however, Brüning was overthrown as chancellor. Had this reform been carried out as planned, there would have been de facto monetary freedom, Germany would have been the most advanced country in the world in terms of monetary techniques, and National Socialism could have been prevented. Attempts were still being made to promote the ideas of this school until 1934. Rittershausen and Beckerath were later accused of having collaborated with the Nazis. In fact, however, they belonged to the resistance. The National Socialists burned Ritterhausen's first edition of his book '[The Other System](#)' in a book burning. The Gestapo had interrogated and threatened Beckerath several times. Correspondence during this time had to be written in such a way as to escape censorship. In the three books („[Must Full Employment Cost Money?](#)“, „[The Practical Realization of the Milhaud Proposals](#)“, „[Compensation Money And Public Insurance](#)“) that Ulrich von Beckerath wrote at that time, he was thus unable to express criticism of the Nazis directly, but could do that only between the lines. [Beckerath and Rittershausen had close contact](#) with the circle around Claus Schenk Graf von Stauffenberg and his attempted putsch, which, had it been successful, might have resulted in the implementation of the monetary reform planned in 1932. The Gestapo had files on both Rittershausen and Beckerath which somehow disappeared. It is probable that this was the work of one of Rittershausen's students who had worked at the People's Court during the Stauffenberg trials. The destruction of those files probably saved both Rittershausen and Beckerath from a death sentence.

A bombing raid on Berlin led to a fire in Beckerath's apartment that resulted in the burning of about 3000 valuable books. In the 1950s, there were again regular discussion groups around Ulrich von Beckerath in Berlin, including meetings of the "Berlin Society of 1952 to Combat the Causes of Unemployment".

Rittershausen continued his academic career, becoming a professor of business administration at the University of Cologne, where he was head of the banking seminar, and finally dean of the university. He wrote countless articles, essays and books, including the 820-page textbook "Die Zentralnotenbank, ein Handbuch ihrer Instrumente, ihrer Politik und ihrer Theorie" ("The Central Bank, a Handbook of Its Instruments, Its Policies and Its Theory"), which was very well known in relevant banking and economics circles at the time and certainly made a major contribution to the relatively low-inflation and the decades-long relatively stable monetary policy of the Deutsche Bundesbank. Although he no longer explicitly advocated a radical change in the monetary constitution in public, he allowed the ideas of monetary freedom to flow into all his later

publications. For example, in a letter to John Zube concerning his textbook, he said: "I wrote this book to show that a Free Banking Man must first come to show the Forced Banking People what the theory of central banking is and requires in their case, e.g., the re-basing of minimum reserves ..." Unfortunately, before his death, he did not manage to complete and publish his work "[Monetary Theory](#)", which is to be considered as groundbreaking, so that only some versions of his last manuscripts have been preserved.

From the 1960s to the 2010s, John Zube, who was personally good friends with Ulrich von Beckerath, tried to make the ideas of monetary freedom known to a wider public, first mainly on microfiche, and later online. Among his many microfilms are also republications of old books on monetary theory, banking technology and the practice of issuance, which had played a major role in the empirical basic research of the German School of Monetary Freedom. Moreover, it is thanks to the tireless work of John Zube, who also microfiched many of Beckerath's documents, that knowledge of the above mentioned events and Beckerath's previously unpublished and highly interesting correspondence has been preserved for posterity.

In the 1980s and early 1990s, even before there were barter exchanges or "regional currencies" in Germany, the German School of Monetary Freedom experienced a new surge of activity through the founding of the „Monetary Freedom Network“ (Berlin, Munich), which published, among other things, circulars on the subject of monetary freedom totaling about 300 pages with contributions from 15 different authors.

In the present time, some texts and publications of the German School of Monetary Freedom can be found on the websites of Thomas H. Greco, Jr. (<http://www.reinventingmoney.com/> and <http://beyondmoney.net/>) who must be considered to be the world's leading expert on alternative means of payments today. He has written several books himself and is very close to the German School.

T. Megalli, August 2022