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IN OUR TIME



**Scholastic roots of  
President Javier Milei**

**JESÚS HUERTA DE SOTO**

## ABOUT THE AUTHOR



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## Scholastic roots of President Javier Milei\*

JESÚS HUERTA DE SOTO

Today we are awarding the “Escuela de Salamanca” prize to the President of the Argentine Nation. His four predecessors have just been mentioned, among whom I humbly include myself, yet, as we shall see, the person who most deserves this prize, which bears the name “Escuela de Salamanca”, is precisely President Javier Milei. And my speech now is intended to demonstrate this.

President Milei is not a career politician. He is a professor of economics who has thoroughly mastered his field and who, at a certain point, came into contact with the Austrian School of Economics. He has often explained how that encounter meant a radical change in his academic life. As he has also recounted on various occasions, that contact came through

an article he devoured in a state of “febrile excitement” written by Rothbard, which explains the Austrian theory of the market, monopoly and competition.

In 1974, Hayek was awarded the Nobel Prize in Economics. This event was a major catalyst for the resurgence of the Austrian School. A now historic conference was organized at South Royalton in the United States, bringing together the leading academics from this School, including Murray Rothbard, who presented a paper entitled “New Light on the Prehistory of the Austrian School”. And what is the thesis of that article? It is very simple, and Rothbard demonstrates it: the origin of the Austrian School of Economics can be found in those magnificent thinkers of the Spanish

\* Presentation address for the “Escuela de Salamanca” Prize to President Javier Milei by Jesús Huerta de Soto. Club de los Viernes, Madrid, 13 June 2025.

Golden Age, gathered around the University of Salamanca, that is, in the so-called “School of Salamanca”. Rothbard, for his part, was building on an earlier line of work. We have, for example, the work of Marjorie Grice-Hutchinson on monetary theory and its origins in the scholastics of our Golden Age. And a few years later we organized in Madrid the first meeting of the Mont Pèlerin Society, of which I went on to become a Vice-President. As this Society’s statutes required that it could only meet in democratic settings, we had to wait until after Franco’s death to organize it in Madrid. During the organization process we received a letter from

tiary minister” in the academic field) Professor Philipp Bagus (together with my other disciple, the Canadian professor David Howden). The thesis, in a nutshell, of this article by President Milei is that the mainstream neoclassical world is based on an intellectual trap, a true “Sadducean trap”, into which many fall when they develop phantasmagorical equilibrium models, which they even pompously call “Dynamic Stochastic General Equilibrium Models”, that is, models populated by beings who are not human but a sort of “robotized penguins” or ideal types that merely react to stimuli from the outside world. These colleagues, who have also become the

**President Milei is not a professional politician.  
He is an economics professor, and moreover, a professor  
who has mastered and continues to master his subject.**

Hayek, which is still in my possession, stating that it has been clearly demonstrated that the origins of the idea of the free market and of liberalism lie not in Anglo-Saxon Scotland, but rather in Catholic, continental Europe, and that the philosophy of liberty was, in essence, developed by Spanish Dominicans and Jesuits gathered around the School of Salamanca during the Spanish Golden Age. In addition, the letter mentions the most relevant bibliography and, among others, explicitly cites Rothbard, Robertson, and so on, concluding that there is no doubt this is the most adequate interpretation of the facts that can be reached.

Well then, President Milei wrote an article entitled “The Neoclassical Trap” to honor me by participating in a collective work in my Festschrift, prepared and edited by my dear German disciple and right-hand man (my “plenipoten-

majority in academia (and here lies precisely the “neoclassical trap,” according to Milei), compare these models with reality and, when they do not match, conclude that it is reality that is wrong, not the models. Therefore, *prima facie*, what must be done, according to many of them, is to turn to Papa State to force and manipulate reality until it is bent toward the “ideal” world described by those hypothetical models that exist only in their sick mathematical minds.

The absurdity and impossibility of this approach, described so clearly, accurately and forcefully by Milei, has its origins in our scholastics of the Spanish Golden Age. In fact, as early as 1643, the Spanish Jesuit Cardinal Juan de Lugo asked himself: “Is it possible to know the equilibrium price?” He concluded that it depends on such a vast number of constantly changing circumstances of time and place that



only God could know it. Literally, since they wrote in Latin, he stated: “*Pretium iustum mathematicum licet soli Deo notum*” (“the fair, mathematical price of things is known only to God”). A few years earlier, in 1617, another Spanish Jesuit cardinal, Juan de Salas, went further and asked whether rulers, academics, or anyone at all could ever obtain the specific information economic agents handle in the market. He concluded that this information is so complex and changeable that “*quas exacte comprehendere et ponderare, Dei est non hominum*”. In other words, “only God, not men, can accurately understand and weigh” the information and

to my colleagues, monopolies exist when they believe they observe a single supplier in an arbitrarily chosen segment of the market, and they say there is competition if they believe they observe many competitors. But, in addition, and to add insult to injury (because it really is an insult), they then add the qualifier “perfect” and talk about “perfect competition” where that multiplicity of sellers is characterized by everyone doing the same thing, selling exactly the same product at exactly the same price, and no one is allowed to do anything different. Consider this: they call “perfect competition” a situation which, if it deserves any label, would be

**Javier Milei learned about the Austrian School, as he has recounted on several occasions, thanks to an article by Rothbard that he devoured in a state of “feverish excitement.”**

knowledge continually created and employed by a free market in all its particular circumstances of time and place.

How much fruitless effort and thousands of wasted hours would have been saved by my colleagues, the academics of equilibrium, if they had studied our scholastics in time, whom we also honor, indirectly, today by awarding the prize that bears their name: the Escuela de Salamanca Prize to the President of Argentina!

And now we move on to the second point—in all, we will consider ten direct connections between what this man, the President of the Argentine Republic, is doing and the thinking of our scholastics of the Spanish Golden Age. Milei came into contact with the Austrian School when he realized the inanity, that is, the intellectual and academic emptiness, of the neoclassical concept of competition. According

to the very opposite of the concept of competition imaginable is described as “perfect” competition. And this is something that our scholastics of the Golden Age also saw.

We have the case of Luis de Molina, who as early as 1597 stated that competition is not a state or condition, but a dynamic process of rivalry. Obviously! In Latin they used the terms *concurrentium*, *concurrentia*, meaning concurrence. We also have the case of Jerónimo Castillo de Bobadilla, who wrote a manual entitled *Política para Corregidores* (*corregidores* were the local authorities in the 16<sup>th</sup> century) in which he clearly describes the essential economic law of that dynamic process of rivalry which is the correct concept of competition, developed by the scholastics of the Golden Age and which inspires and constitutes the entire theory of competition and monopoly of the Austrian

School. Jerónimo Castillo de Bobadilla concludes his analysis with the following: “The prices of goods will fall with the abundance, emulation (*aemulatio*), and concurrence (*concurrentia*) of sellers”; which undoubtedly describes a dynamic process of rivalry.

The scholastics of the Golden Age also make an essential contribution on other points, because the entire discipline of economics, our entire science, has reached a dead end because of those mistaken thinkers who trace their origins back to Adam Smith, who later formed the Classical school. I say mistaken, and that they inflicted enormous harm not only on our disci-

**Milei came into contact with the Austrian School when he realized the inanity, that is, the intellectual and academic emptiness, of the neoclassical concept of competition.**

pline but on humanity by reintroducing the objective labor theory of labor value (which served Karl Marx’s theory of exploitation on a silver platter) when our Golden Age scholastics had already made it perfectly clear that value is always subjective.

Since I am giving an economics lecture, and doing so in honor of President Milei, I would like to acknowledge the thinker who perhaps first clearly expounded the subjective theory of value in the history of economic thought: the great bishop of Segovia, Diego de Covarrubias y Leyva. As early as 1555 he wrote: “The value of a thing does not depend on its objective nature, but on the subjective estimation of men (they called it *aestimatio*, in Latin), even when such estimation is mistaken (he writes *insana aestimatio*, in Latin).” He adds, to illustrate the thesis, that “in the Indies (the Indies meant the

Americas, which at that time were not yet commonly called “America”; Amerigo Vespucci and company had not yet given the name currency), wheat is valued more highly than in Spain because men there subjectively esteem it more, even though the objective nature of wheat is exactly the same in both places.”

We must mention another scholastic, Luis Saravia de la Calle, who also has the added merit of writing not in Latin but in Spanish; his book is entitled *Instrucción de mercaderes*, which today we might call “Instruction for Entrepreneurs.” It was a guide on what entrepreneurs should do to avoid committing mortal sin and condemning

themselves to hell. And by analyzing the real-life cases, these theologians, unknowingly, became remarkable economists, great thinkers of our Science. Following this subjectivist tradition, Luis Saravia de la Calle was the first to discern that costs do not determine prices but, if anything, it is the other way around. To think that costs determine prices is a serious mistake made by neoclassical economists, which has its origins in Adam Smith, who fixed his gaze at a hypothetical long-term equilibrium price, with perfect adjustment. And of course, since, by definition, prices and costs coincide in equilibrium, it is a seemingly small step to conclude that costs determine prices, but it is a step that leads to an abyss and a very serious error from a scientific point of view. Luis Saravia de la Calle explained this very clearly two centuries before Adam Smith’s monumental error: “Those who

measure the just price by the labor, costs, and risk incurred by the person who deals in the merchandise or produces it are greatly in error. For the just price arises from the abundance or scarcity of goods, merchants and money, and not from costs, labor and risks.” Hooray for the subjectivist theorists of the School of Salamanca, who here are laying the foundations of the Austrian School of Economics!

Let us turn to another, equally important connection. And once again we must reiterate that Argentines, and all of us around the world who follow President Milei, are aware of the immense work he is doing and of his contribu-

tion to the cultural battle, but we are not sufficiently aware of the background, of the body of thought behind it, which is none other than the thought of the School of Salamanca of the Spanish Golden Age. That is what must be clearly and firmly established today.

Household.” That is, obtaining an ecclesiastical benefice and living off the income of the Church; crossing the ocean and trying one’s luck in the newly discovered America; or serving the army of the King in the Tercios of Flanders.

**We are not sufficiently aware of the background,  
of the thinking behind Milei’s work:  
the School of Salamanca from Spain’s Golden Age.**

tion to the cultural battle, but we are not sufficiently aware of the background, of the body of thought behind it, which is none other than the thought of the School of Salamanca of the Spanish Golden Age. That is what must be clearly and firmly established today.

President Milei repeats time and again that inflation is, always and everywhere, a monetary phenomenon, is that not so? Repeatedly, he says it, to the so-called experts, the “economists”, and the Kicillofs of the day and of the world. Well, this is also a distinctly scholastic idea. The fact is that these great thinkers of the Spanish Golden Age witnessed firsthand the phenomenon of the massive arrival of precious metals in Spain following the discovery of the Americas. That flood of precious metals, that monetary injection, was, as always, a poisoned gift. In fact, it was the main reason Spain was

As a firsthand witness of that inflationary phenomenon, very similar to what has been experienced time and again in the rest of the world and, specifically, in Argentina, we have the great Doctor Navarro, as Martín de Azpilcueta was known (who, incidentally, he was a cousin of St. Francis Xavier). He explained this inflationary process and its cause with crystalline clarity. He was not the first to do so intellectually, but he articulated it in the greatest detail (there are precedents in Nicolas Oresme, in Jean Bodin, and especially in Copernicus, in his *Monetae cudendae ratio*). Note how Doctor Navarro, Martín de Azpilcueta, writes about this



in his *Comentario resolutorio de cambios* as early as 1556: “In France, where there is less money than in Spain, bread, wine, cloth, labor and work are worth much less. And even in Spain, at the time when there was less money, goods for sale, labor and work were given for much less than after the newly discovered Indies covered it with gold and silver. The reason is that money is worth more where and when it is scarce than where and when it is abundant.” Here, the quantity theory of the value of money is perfectly explained.

But our scholastics would have made a serious mistake, the same one still made by

School, which is precisely the most vital core of economic theory, as it is the bridge of understanding that connects the monetary side with the real side of the economy.

And in this area, the banking theory developed by the Austrian School also stands out, a field to which I have had the honor of contributing with my work *Money, Bank Credit, and Economic Cycles*, which is also very relevant to President Milei and to what he promised in his campaign and has on his roadmap: essentially, to dollarize and eliminate the Central Bank. Well, our theorists from the School of Salamanca, starting with Martín de Azpilcueta and

### Inflation, rather than causing a simple increase or variation in a supposed general price level, actually produces a revolution in relative prices.

monetarists today (Friedman included), had they stopped at the quantitative theory of money, which does have some truth to it, and it is important that people not forget that, but it is not the most important thing in terms of the damage caused by inflation. Because inflation rather than causing a simple increase or variation in a supposed general price level, as if it were the level of a swimming pool, what it really produces is a revolution in relative prices. This revolution completely distorts resource allocation and generates speculative bubbles and malinvestments which sooner or later unwind in the form of deep financial and economic crises. And this is something the neoclassical quantitative theorists, including, as I have said, all the way to the Chicago School, cannot understand because they lack knowledge of the theory of capital developed by the Austrian

Luis Saravia de la Calle, make it very clear that lending is one thing and depositing is quite another; and that bankers, when they appropriate money deposited on demand in order to lend it out, commit a grave mortal sin and go to hell. But it's not only bankers who go to hell when they appropriate their customers' demand deposits; the depositors themselves also sin, and the theologians say it is at least venial (for here they don't dare to say that they go straight to hell), when they make a deposit and look the other way and even, instead of paying (because the depositor would have to pay the banker for safeguarding their money), demand that the banker pay them some interest. Luis Saravia de la Calle is very amusing here, saying that such depositors who look the other way are like “those who hand over their chaste daughter to a lecher to take care of her” and, instead of

paying the caretaker, say to the lecher: “Hey, pay me some money.” And Luis Saravia comments: what do you think the lecher will do with the daughter? Well, that's precisely what bankers do. So, depositors would also have to go, not to hell, but at least to purgatory for quite a few years. Because then, when the inevitable *corralito* occurs and they cannot withdraw their money, these depositors who looked the other way are the first to protest, weep and loot the shops; but they were perfectly happy when they were being paid interest on their demand deposits in dollars, interest to which they had no right whatsoever,

nine-tenths of the money used by humans is nothing more than accounting entries made by banks, which are the result of this process of generating fiduciary media. And note how ingenious Luis de Molina was: he calls it *chirographis pecuniarum*, that is, “scriptural money”, for the money in the form of book entries that banking generates out of nothing through this cumulative process of misappropriating (and lending) of their customer's deposits.

Saravia de la Calle even develops a kind of Austrian proto theory of the economic cycle when he observes that this phenomenon of appropriation of deposits initially generates a

### Not only do bankers go to hell when they appropriate demand deposits, but depositors themselves also sin when they make a deposit and look the other way.

either from a moral standpoint or from the point of view of property rights.

But our scholastics go a step further and discover that when banks operate illegitimately, that is, with a fractional-reserve ratio, they create a financial system that is always profoundly unstable. What they are actually doing is becoming a machine for creating money in the form of fiduciary media. I make a deposit, the bank appropriates it, the bank pays those who receive the loan, they in turn pay their suppliers who deposit the funds again, and so on. This is the main mechanism of money creation today: the illegitimate practice, so the scholastics demonstrate, of fractional-reserve banking. And in the end, only a small fraction of the money we human beings use is embodied in real money (only around 10 percent in the main economies of the world). The remaining

bubble with the appearance of artificial prosperity, but that sooner or later, in the happy phrase of the fellow scholastic Tomás de Mercado, “it all goes to ruin.” So, what is the solution proposed by our theorists? Very simple: to uphold the principles that morality and law (going back to Roman law), require in relation to demand deposits. Which is, that the depositary, the banker who receives the money, should at all times keep at the depositor's disposal the integrity of the *tantundem* (as it is called in Roman law), the equivalent in quantity and quality of what was originally deposited. In terms of economic theory, this is called a 100 percent cash reserve ratio. And while this, of course, has universal application, it is especially relevant to Argentina. Because if a 100 percent reserve were enforced, first, we would put an end to a financial system that it is still in force

in the 21<sup>st</sup> century, a system that is a continuous source of financial instability, in which banks grow, inflate, and then disappear in a single day, and so on; we would put an end to the constant financial instability that affects us, and to the recurring economic cycles of boom and recession. And second, in Argentina's specific case, it would allow dollarization, because if all banks operated with a 100 percent ratio there would no longer be any possibility of *corralitos* recurring in future. Everyone would have their money available whenever they needed it. Moreover, and as I understand it, because the President himself explained it to me a few

certainly also very important. This, therefore, is another direct connection between President Milei's reformist agenda and the contributions of our Spanish Golden Age scholastics.

There is yet another connection with our scholastics that I cannot resist sharing with those present. President Milei has recently made a historic proposal: Declare inflation an offense not subject to any statute of limitations, and prosecute and imprison anyone who participates, directly or indirectly, in the inflationary process, whether through monetizing the public deficit or through credit expansion. Therefore, heads of state and government,

**When the inevitable *corralito* occurs and they cannot withdraw their money, depositors who looked the other way are the first to protest and cry, but they did receive interest on their demand deposits.**

weeks ago at his official residence in Los Olivos, as a result of his policy, they already have practically enough dollars to exchange pesos for dollars at the current market rate. Well then, to make this promised reform possible, the dollarization and a 100 percent cash ratio it would be enough for the Argentine population to know and be certain that they will never again suffer a *corralito*. And, incidentally, this would put an end to recurring bubbles and crises and stabilize the system, thereby eliminating the need for a lender of last resort to be there, ready to bail out banks in trouble, which we know will inevitably happen repeatedly with great regularity. And so, without any difficulty, President Milei's agenda could be completed by eliminating the Central Bank. And in passing, President Milei would also be sparing many bankers and clients from going to hell, which is

ministers, and central bank presidents and board members (for example, Jerome Powell, Christine Lagarde, even my friend, the Vice President of the European Central Bank, Luis de Guindos), and so on, would all be prosecuted and imprisoned. All of them would be prosecuted and would spend some time, as they should, in prison for having induced and participated in and been protagonists of the inflationary process. And why is this? Is it an arbitrary whim Is it a mere idea of the President? No: if anything, it is a notion of our Golden Age scholastics, who recognized that inflation is the most harmful and perverse tax imaginable, and, more than that, the one that does the greatest harm to the poorest and most vulnerable classes. That is why those responsible for inflation should be prosecuted and imprisoned, which is yet another major contribution of our



scholastics. Let's look at this in more detail. And here we must mention the great Father Juan de Mariana, born in Talavera de la Reina in 1536 and who died in Toledo at the age of 88, in 1624. Father Juan de Mariana wrote, at the behest of King Philip II, a manual of instruction for his son, who would later become King Philip III. That manual was published under the title *De rege et regis institutione* (*The King and the Institution of Monarchy*), and it is a very interesting book, for in it he develops the theory of tyrannicide. He did so with the future Philip III in mind, who was also a very pacifist and pious king, in order to awaken his

Juan de Mariana cleverly reproduced those ideas as if they were his own. And what is the thesis of tyrannicide? It is very simple. The thesis is that any individual citizen not only can, but even has the obligation to justly assassinate any king who becomes a tyrant. And who is a tyrant? Juan de Mariana describes a tyrant, giving several typical characteristics. For example, he says a tyrant is someone who imposes taxes on the citizens without their consent; or someone who unjustly expropriates their property; or who prevents a democratically elected parliament from assembling. He continues with other similar characteristics,

**President Milei has made a historic proposal: to declare inflation an imprescriptible crime and thus punish those involved with prison.**

conscience and prevent him from becoming a tyrannical king. The theory of tyrannicide, incidentally, had already been developed before Juan de Mariana, though he could not cite those earlier authors, as they had been outlawed and condemned. I refer to those heroes of liberty who led the first libertarian revolution in the world: the revolt of the *Comuneros* of Castile against the tyrant king Charles V of Spain. Juan Bravo, Padilla and Maldonado, are always mentioned, but no mention is made of the fourth leader, the Bishop Acuña de Zamora, who led his private army of Dominicans and Franciscans to fight against the tyrant, King Charles V. This revolution was defeated, as we all know, at the battle of Villalar in 1521, on April 23 (precisely the day I arrived in Buenos Aires earlier this year). But since the *Comuneros* were outlawed and their pamphlets burned,

but note that "a tax without their consent," is a flagrant act of tyranny. And we continue, for in 1609 Juan de Mariana wrote another work entitled *De monetae mutatione* (translated into English as *A Treatise on the Alteration of Money*), in which he denounced the policy of King Philip III, or, rather, of his favorite, the Duke of Lerma, consisting in debasing the currency, that is, extracting precious metal for it and multiplying the number of units. He does not use the term, which was then unknown, but today we would call it creating inflation. He concludes that inflation is, no more and no less, equivalent to a most harmful and damaging tax, especially for the poorest; and moreover, a tax that is extracted in a devious manner and without the consent of citizens. In his own words: "a tax burdens those who have money before prices rise and who, therefore, are forced to buy

things at higher prices." The syllogism is then crystal clear: a tyrannical king who must be assassinated is one who imposes taxes without the consent of the citizens. The main mechanism or process for imposing a tax, the most harmful and without the consent of the citizens, is inflation. Therefore, all rulers who participate, directly or indirectly, in this process must or can be assassinated. As we can see, President Milei is far more lenient, because he only intends to prosecute them and put them in prison, I suppose for a minimum of 20 or 30 years, considering the extent and depth of the damage they repeatedly cause.

**Even Mario Draghi himself, in his famous report, had to admit it: we cannot do anything or be competitive with this absurd amount of regulation.**

Let us take it a step further, and for all of you listening, let us speak about the famous "chainsaw". Especially because I have a beautiful photograph taken with President Milei at the Casa Rosada with his chainsaw. I remember that half of his face was sunburnt because he had been out in the sun at the funeral of poor Father Pope Francis, may he rest in peace, and they were applying makeup to him so that his face would not be two different colors. In the end, we took the photo with the famous chainsaw, which has already become legendary, and whose symbolism we must ponder. Because you must put the chainsaw everywhere, right, Mr. Ambassador of Argentina? You have to put the chainsaw everywhere! And it turns out that this much-needed chainsaw is also of scholastic origin, as we will see shortly. And particularly and urgently in two fields: the regulatory sphere

and the area of public expending reduction. Let us begin with the regulation field. In 2023, 1,350,000 pages of regulations were published in Spain across all the official gazettes of the State, the autonomous communities, and local councils. Forty-seven percent of those 1,350,000 pages originated in the European Union, according to official data from ABC, which tracks this statistic annually. There is a kind of legislative and regulatory inflation or frenzy that, among other effects, has made Europe uncompetitive. Even Mario Draghi himself, in his famous report, had had to acknowledge it: we cannot do anything and cannot be

competitive with this absurd amount of regulation. Even the President of the Commission, Ursula von der Leyen, has been forced to say that she has received the message and has ordered all her officials to reduce all regulations by 25 percent across the board. One must be truly German to say this without apologizing for not doing more: why only 25 percent and not 30, 40 or 50 percent?

But let us see what Father Juan de Mariana himself was already saying on the matter in a posthumous work entitled *Discourse on the Diseases of the Company* ("the Company" being the Jesuit Order). Father Juan de Mariana says the following, and I quote verbatim: "It is great folly for the blind (that is, in our case, the State), to wish to guide those who can see." And he adds: "Governments do not know people or facts, at least not with all the cir-

cumstances that surround them and on which right judgement depends. It is inevitable that many and serious errors will be made, and that people should be displeased and despise so blind government.” He concludes: “power and authority are insane, and when laws are too many (1,350,000 pages in a single year!), and since not all can even be known, let alone kept, respect for them is lost.”

Well, another great achievement of President Milei is the creation of a Ministry of Deregulation, headed by Dr Federico Sturzenegger (who, incidentally, gave me a hearty embrace after my incendiary anarcho-capitalist address

commendable that, 400 years later, the President of the Argentine Republic is using it with such intensity. But the chainsaw must be applied not only to the regulatory field; it is also crucial to apply it vigorously to public spending.

And here, if anyone can present an exemplary and unprecedented track record in history, it is President Milei himself. In a year and a half, he has reduced public spending by 30 percent. Now he has a surplus. And since there is no longer any need to finance by monetizing the deficit, he has managed to bring inflation down from 25 percent a month to around 1.5 percent.

### The revolution inspired by the thinking of our scholastics has its natural continuation today in the anarcho-capitalist and libertarian revolution that is taking place around the world under the leadership of President Javier Milei.

at the Casa Rosada, when I expressed my thanks for the *Order of May for Merit* that had just been conferred on me on April 27, 2025). I was thrilled, and I said to myself: this is going very well indeed! There is even a Ministry of Deregulation which, as President Milei told me, averages five deregulations a day and had already carried out two thousand, which is an extraordinary pace. In this area, too, Milei has become a global role model for everyone. Consider, for example, the case of the DOGE initially promoted by Elon Musk. And even the statement by the President of the European Commission: instead of a Vice President she currently has, she should appoint a Vice President for Deregulation; that is what she should do, and we recommend it from here. We see, therefore, that the chainsaw in the regulatory sphere is also of scholastic origin, and it is very

He has reduced poverty by 20 points—from the 50-something to the 30-somethings. And last week we read, to everyone’s amazement, that even that institution so full of “well-intentioned leftists”, the United Nations, found itself obliged, through UNICEF, to acknowledge that more than 1,700,000 children had been lifted out of poverty thanks to Milei and that reduction in public spending and inflation. Just think how many more children will escape poverty if the chainsaw continues to be taken to spending in every public institution. We owe it to the children of Argentina and to all the children of the world!

Let us see how Father Juan de Mariana advocates applying the “chainsaw” to public spending to balance the budget; for which, he says, it is essential that the State spend far less, because “what is moderate, spent in an orderly

way, looks better and conveys greater majesty than superfluity without it.” He also proposes that “the King, our lord, should cut back on his gifts, for there is no kingdom (i.e., the State) in the world that has so many public bounties, commissions, pensions, benefits and offices.” As we can see, the lack of control over public spending and the purchase of political favors in exchange for subsidies financed by taxes (and inflation) is very old. Mariana also proposes that the “King avoid and excuse unnecessary enterprises and wars, and cut off the cancerous limbs that cannot be cured.” In short, as we see,

Mariana and the scholastics in general designed a whole program of public spending reduction and balanced budget maintenance which could be considered exemplary, and which President Milei has implemented with such success by applying his famous chainsaw to Argentine public spending.

I will conclude my remarks with a reference to something perhaps few people know about. We must recognize that the influence of the scholastics of the Spanish Golden Age lies behind every revolution for liberty that has taken place in the contemporary history of



humankind. For example, when the Founding Fathers of the great American nation, led by Jefferson, were debating whether to rise up against their natural king (the King of England, a tyrant king, indeed), what did Jefferson do? He recommended to all, beginning with James Madison, that they read from cover to cover Father Juan de Mariana's *General History of Spain*, which had been translated into English a few decades earlier by Captain Stevens (I have the first English edition of that translation). And why did Jefferson urge the Founding Fathers of the United States to read Father Juan de Mariana and drink from that source? Because Mariana's *General History of Spain* is a history written from the perspective of the struggle, generation after generation, of human beings who seek to free themselves from the clutches of the coercive State. In that history many of the great "official" heroes are presented as tyrants who deserve to be assassinated (tragically, it is usually the victors who write history). It doesn't matter to me whether it's Philip of Macedon or his son, the paranoid Alexander the Great, or Julius Caesar, and so on, according to Mariana, all were great tyrants. And note how clever Father Juan de Mariana is: he ends his long history precisely just before the revolt of the *Comuneros*, so as not to tread on dangerous grounds. And, without a doubt, we Spaniards should be very proud that the Great Fathers of the United States drew directly from this Hispanic tradition of liberty.

Moreover, this tradition of the School of Salamanca, as could not be otherwise, also spread through the universities that were created as a great contribution of Spanish culture in America. This has been analyzed by a professor of the history of thought, an Argentine of Romanian origin named Oreste Popescu, who studies in depth how many scholastics who drank from these sources, and were pupils of those I have just mentioned, later occupied their chairs in the newly created American universities, first in Lima (Peru) and then in Mexico, both in 1551, thereby spreading their thought. For example, we have the cases of Bartolomé Frías de Albornoz in 1573, or Juan de Matienzo in 1580, and this entire tradition ends up germinating and influencing, for example, the great heroes of Argentina: José de San Martín, when he rose up against the Ancien Régime (that is, against the tyrant Spanish king), and in the case of Juan Bautista Alberdi, the father of Argentine liberal constitutionalism. But history does not stop there: this revolution, inspired by the thought of our Spanish Golden Age scholastics, today finds its natural continuation in the anarcho-capitalist and libertarian revolution that is taking place throughout the world under the leadership of this man, President Javier Milei. He is therefore more deserving than anyone else in the world of this *Escuela de Salamanca* Prize.

Thank you very much.

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