## FINANCIAL STABILITY WITHOUT CENTRAL BANKS

**GEORGE SELGIN** 

with commentaries by

MATHIEU BÉDARD KEVIN DOWD



## **CONTENTS**

	The authors	vii
	Foreword	ix
	Acknowledgement	xiii
	Summary	xiv
	List of figures	xvii
1	Price stability and financial stability without	
	central banks: lessons from the past for	
	the future	1
	George Selgin	
	Financial stability without central banks	2
	Walter Bagehot and the role of central banks	12
	The cause of financial instability in the pre-Federal-	
	Reserve US	14
	Price stability	19
	Concluding remarks	24
2	Questions and discussion	27
3	Selginian free banking	37
	A commentary on George Selgin's lecture	
	Kevin Dowd	
	Free banking and the gold standard: is there an alternative?	38

	Inferior alternatives to the gold standard References	41 47
4	On chain gangs in financial stability A commentary on George Selgin's lecture	49
	Mathieu Bédard	
	Systemic risk as a chain-gang effect	50
	Chain gangs in asset markets	52
	Chain gangs and bank runs	54
	A reinterpretation	58
	Conclusion	60
	References	61
	About the IEA	66