



IMPROVING PERFORMANCE AT THE NEXUS OF THE COMMERCIAL AND SOCIAL SECTORS

ABSTRACT

WHAT ARE THE MAIN PRINCIPLES OF MODERN MONETARY THEORY (FEBRUARY 2019)

Modern Monetary Theory (MMT) has been receiving some wider attention from the economic community and politicians looking for a new direction. The principles of MMT are based on a system of flexible exchange rates for the international sphere, and on sovereign currencies with full employment programs at the domestic level. The foundation of MMT is its recognition of the importance of the government's power to tax, thereby creating a demand for its money, and its monopoly power to print money. For developing economies, foreign debt and a resulting lack of monetary sovereignty are the primary cause of inflation, according to MMT. Thus, MMT-supporting academics, and left-wing activists, are hoping to transform countries by *changing* people's minds.

