

INTRODUCTION

“If old truths are to retain their hold on men’s minds, they must be restated in the language and concepts of successive generations.”

-F. A. Hayek, *The Constitution of Liberty*

Many of the problems faced by societies around the world stem from a lack of understanding of basic economic principles. Poverty kills, and billions of people remain poor partly because they – or more often, their governments – do not understand what is required for a nation to lift itself out of poverty.

Poverty eventually leads to social unrest, and then frequently to empty promises from politicians or religious leaders that everything will be better when they are put into power. This cycle is repeated throughout history despite the fact that the recipe for a prosperous country has been known for centuries, and followed successfully by many countries.

But even in countries like the United States where economic freedom has been held up as one of our most of basic rights – *Life, Liberty, and the Pursuit of Happiness* – the expansion of government and central planning continues to erode the prosperity and standard of living that we too often take for granted.

I believe the reason why even a prosperous country like the United States allows this to happen is that too many of its citizens never learned how our high standard of living was achieved in the first place. As a result, they are too easily fooled into accepting government “fixes” which almost always reduce prosperity.

This short book is meant to help those who want to build a more prosperous nation but have been misled by others about how to best accomplish that. The great thing about basic