

# The fourfold relation between the essence of money, inflation, bubbles and debt—A theoretical macrofounded analysis

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## Abstract

The paper makes an unprecedented claim by identifying a significant relationship between money's (immaterial and intrinsic-worth-detached) essence and the measurement of inflation rates, on the one hand, and bubbles and private/public indebtedness, on the other hand. The inflationary potential of cryptocurrencies—among others: xenocurrencies and special drawing rights—is also analysed. Another added value is the consistently macroeconomic approach, which starts from the structural and interconnected mechanisms and then explains economic-financial crises and their increasingly common features.

## Highlights

- Causal links between a concept of money, inflation measurement, bubbles and indebtedness.
- Structural pattern explaining causes and effects of today's multifaceted crises.
- Theoretical-macrofounded rather than behavioural (microeconomic) perspective.

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