

Friedrich A. von Hayek-Gesellschaft | Netzen, 29. Juli 2019
Akademie der Freiheit (28. Juli bis 3. August 2019)

Crashkurs VWL

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Institut für Weltwirtschaft (*1914)



University of Applied Sciences Europe (UE) Campus Berlin



Teil 1: Crashkurs VWL

- Denken beginnt mit Sprache!
 - » Begriffe müssen klar abgegrenzt sein (Fachsprache)
 - » Nicht alle Fachbegriffe sind geglückt
 - Volkswirtschaftslehre? *National*ökonomie?
 - » Im Zentrum der VWL stehen keine Völker/Nationen, sondern ...
 - » ... die Koordination ökonomischer Aktivität in sozialen Systemen
 - » Volkswirtschaft keine „Wirtschaft“ als eigene Handlungseinheit
 - Natur- vs. Sozialwissenschaft
 - » VWL: keine Naturwissenschaft (extrem begrenzte Experimente)
 - » VWL: Wissenschaft vom menschlichen Handeln
 - Rolle der Mathematik
 - » Nur bedingt geeignet, um alle ökonomischen Phänomene zu erklären
 - » Aber nützlich für bestimmte Fragestellungen
- ⇒ **VWL (Economics) = Wissenschaft vom menschlichen Handeln**

- Bedürfnisse
 - » Subjektiv empfundener Mangel (Ziel des Handelns)
 - » Prinzipiell **unbegrenzt**
 - Güter
 - » Mittel zur (direkten oder indirekten) Bedürfnisbefriedigung
 - » Prinzipiell **begrenzt**
- ⇒ **Knappheitsproblem**
- » Nicht alle Bedürfnisse können voll befriedigt werden
 - » Notwendigkeit der Auswahl
 - Rangordnung der Bedürfnisse
 - Abgleich mit den verfügbaren Mitteln (Produktionsmöglichkeiten)
 - » Wirtschaftliches Wachstum: Verringerung von „Unbefriedigtsein“ (Erreichen weiterer Bedürfnisränge durch Ausweitung der Mittel)

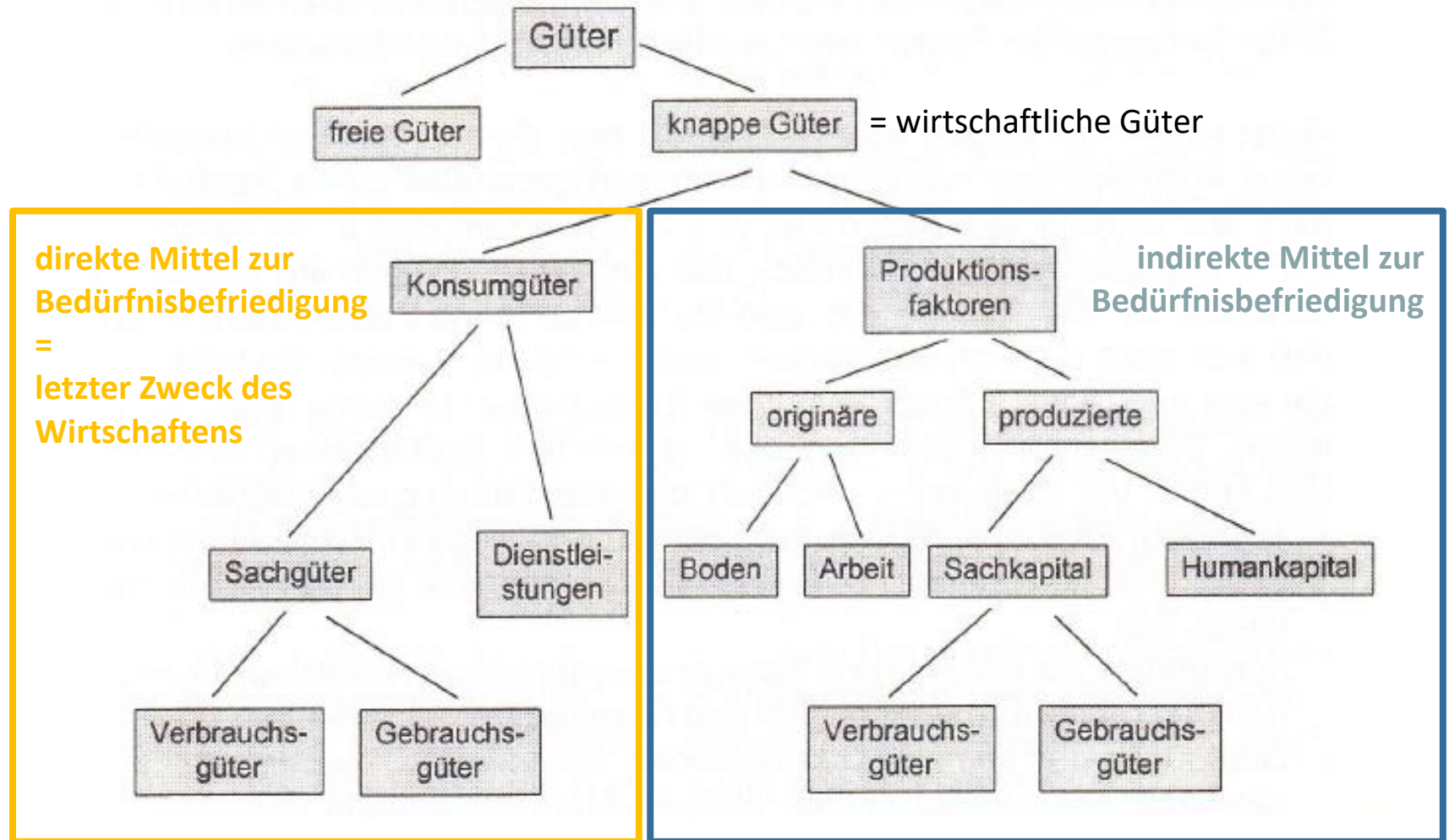
- Existenz eines Bedürfnisses
- +
- Tauglichkeit, ein Bedürfnis zu befriedigen
- +
- Erkenntnis dieser Tauglichkeit
- +
- Verfügungsgewalt



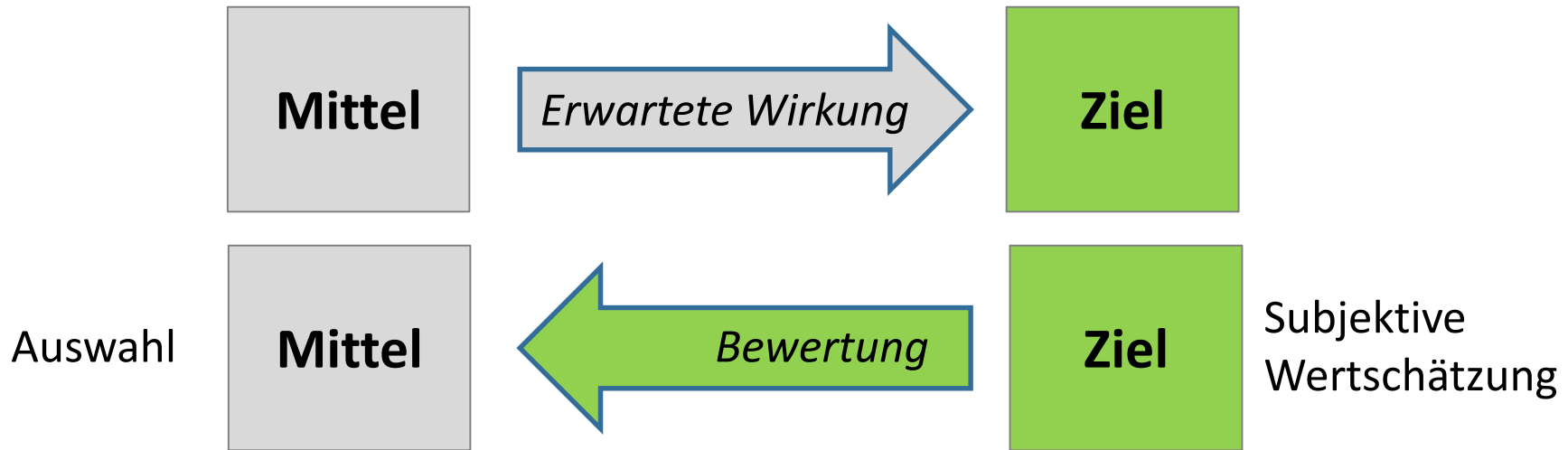
Carl Menger (1840 – 1921)
Grundsätze der Volkswirtschaftslehre (1871)

⇒ **Subjektivistische Güter- und Wertlehre**

- » Dinge werden nur durch Menschen zu wirtschaftlichen Gütern
- » Güterqualität und Wert haften den Dingen nicht selbst („objektiv“) an



Quelle: Wied-Nebbeling/Schott, S. 4



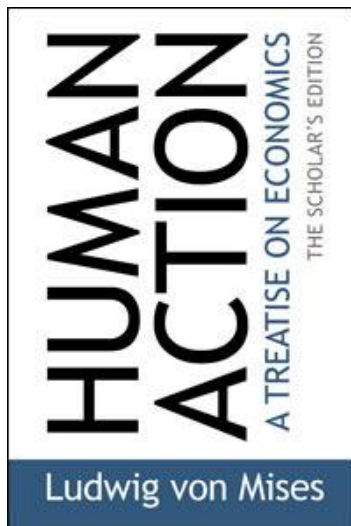
- Der Zweck „heiligt“ die Mittel nicht, aber er **bewertet** sie!
- Begrenztes Wissen: Handeln unter Unsicherheit (= Spekulation)
- Rationalität und „homo oeconomicus“:
Menschen handeln nicht absichtlich gegen ihre Interessen

- Unbefriedigtsein
⇒ **absichtsgeleitetes Handeln**
- Handeln = Verändern der Lebensumstände
- Menschen als universelle Unternehmer
 - » Entscheidungsträger
 - » Entdecker (Suche nach neuen Mitteln)



Ludwig von Mises (1881 – 1973)

Nationalökonomie – Theorie des Handelns und Wirtschaftens (1940)



<http://mises.org/document/3250>

- **Was und wie viel soll wie für wen produziert werden?**

- **Alternative Zuteilungsverfahren**
 - » Gewalt (militärische Feldzüge, Raubrittertum)
 - » Diskriminierung (Geschlecht, Nationalität, Alter, ...)
 - » Windhundverfahren („Wer zuerst kommt, mahlt zuerst“)
 - » Kommunismus („Jedem nach seinen Bedürfnissen“)
 - » Egalitarismus („Jedem das gleiche“)
 - » **Markt (Tauschwirtschaftlicher Wettbewerb)**
 - **Eigentum an Gütern**
 - **Freiwilliger Tausch**
 - ⇒ „Jedem nach seinen Leistungen (für andere)“

■ Gewinne

- » Erlöse (Werterschaffung) > Kosten (Wertvernichtung)
- » netto werden Werte geschaffen
- ⇒ Akteur bleibt im Spiel, Aktivität kann ausgedehnt werden

■ Verluste

- » Erlöse < Kosten
- » netto werden Werte vernichtet
- ⇒ gelbe Karte (Verwarnung): Aktivität sollte eingeschränkt werden

■ Konkurs

- » Erlöse << Kosten
- » netto werden in großem Umfang/dauerhaft Werte vernichtet
- ⇒ rote Karte (Platzverweis): Aktivität muss eingestellt werden

- Methode
 - » Individuum als Ausgangspunkt
 - » Erklärung sozialer Vorgänge durch das Handeln der beteiligten Personen (Mikroebene)

- Individuen ...
 - » ... sind verschieden (Diversität)
 - » ... haben exogene Präferenzen
 - » ... handeln eigeninteressiert
 - » ... sind selbständig handlungsfähig

- Subjektivismus
 - » Individuelle Vorlieben/Wertschätzung
 - » Verzicht auf intersubjektive Nutzenvergleiche

- Robinson-Ökonomie
 - » Selbstversorgung: Produktion nur für den Eigenverbrauch
 - » Kein Tausch \Rightarrow kein sozialer Koordinationsbedarf

 - Soziale Ökonomie
 - » Spezialisierung durch Arbeitsteilung
 - » Tauschprozesse (Interaktion) \Rightarrow sozialer Koordinationsbedarf
- \Rightarrow **Mikroökonomik: Theorie des einzelwirtschaftlichen Handelns und der sozialen Koordination**
- » Erklärung des Verhaltens von ökonomischen Akteuren und Ableitung der daraus resultierenden Ergebnisse
 - » Einfluss von Institutionen auf soziale Koordinationsprozesse

- Märkte als Lebensräume von Unternehmen
 - » Beschaffungsmärkte
 - » Absatzmärkte

- Mikroökonomik vs. BWL
 - » Verhaltenserklärung vs. konkrete Handlungsempfehlungen
 - » Fokus: Ergebnisse sozialer Interaktions- und Koordinationsprozesse

- Rolle „des Staates“
 - » Regelsetzer/Schiedsrichter (Ordnungspolitik), z. B. Eigentumsordnung
 - » Akteur/Mitspieler (Prozesspolitik), z. B. regionale Wirtschaftsförderung
 - » Staat = Handeln von Politikern/Bürokraten in öffentlichen Behörden
 - ⇒ Einfluss auf soziale Koordinationsprozesse/Marktergebnisse

- Opportunitätsdenken
- Rationalität und ökonomisches Prinzip (Effizienz)
- Denken in Grenzgrößen (Marginalprinzip)

- Denken in relevanten Alternativen
 - » Versunkene Kosten („verschüttete Milch“) zählen nicht
 - » Handeln ist zukunftsgerichtet

- „Alternativlose“ Situationen?
 - » Kein Gegenstand für ökonomische Analysen

- **Opportunitätskosten**
 - » Kosten der entgangenen Gelegenheit
 - » Bewertung eines Mitteleinsatzes gemäß der dadurch verdrängten nächstbesten Verwendung
 - » Welches Ziel X muss geopfert werden, um Ziel Y zu erreichen?
 - ⇒ **Wertschätzung für X sind die Opportunitätskosten von Y (und umgekehrt)**

- Variante 1: Minimalprinzip
 - » Gegebenes Ziel
 - » Minimaler Mitteleinsatz

- Variante 2: Maximalprinzip
 - » Gegebene Mittel
 - » Maximale Zielerreichung

- **Marginalprinzip**
 - » Denken „an der Grenze“
 - » Beachtung der relevanten Einheiten

- **Relevante Einheit**
 - » Das zur Entscheidung anstehende „mehr“ oder „weniger“ (Δ)
 - » Typischerweise nicht die Gesamtmenge (Gütergattung) ...
 - » ... aber auch nicht unendlich kleine Veränderungen (Marginalprinzip \neq Infinitesimalanalyse!)

- ⇒ **Überwindung des Wert-Paradoxons**
 - » Wasser: Lebensnotwendig, aber geringe Wertschätzung
 - » Diamanten: Entbehrlich, aber hohe Wertschätzung

- Komparative Kostenvorteile
 - » Wohlstand durch Arbeitsteilung und Tausch
 - » Opportunitätskosten und Produktions- bzw. Konsummöglichkeiten

- Der Kobra-Effekt
 - » Fallstricke der Wirtschaftspolitik
 - » Reaktion auf Anreize (Institutionendesign)

- Die „unsichtbare Hand“ des Marktes
 - » Soziale Koordinationsprozesse
 - » Eigennutz vs. Gemeinwohl
(einzelwirtschaftliches Streben vs. Marktergebnis)

Wohlstand durch Arbeitsteilung: Theorem der komparativen Vorteile (1/2)

■ Fall 1: Absolute Kostenvorteile

	Arbeitsstunden je Tonne Weizen	Arbeitsstunden je Tonne Kartoffeln
Bauer A	2	5
Bauer B	2,5	4

- » Maximale Arbeitszeit für beide Landwirte: 10 Stunden
- » Produktions- und Konsummöglichkeiten für A und B bei Autarkie?
- » Konsummöglichkeiten für A und B bei Spezialisierung und Handel?

» **Opportunitätskostenkalkül**

- Was kostet Bauer A (Bauer B) eine Tonne Weizen?
- Was kostet Bauer A (Bauer B) eine Tonne Kartoffeln?

Wohlstand durch Arbeitsteilung: Theorem der komparativen Vorteile (2/2)

■ Fall 2: Komparative Kostenvorteile

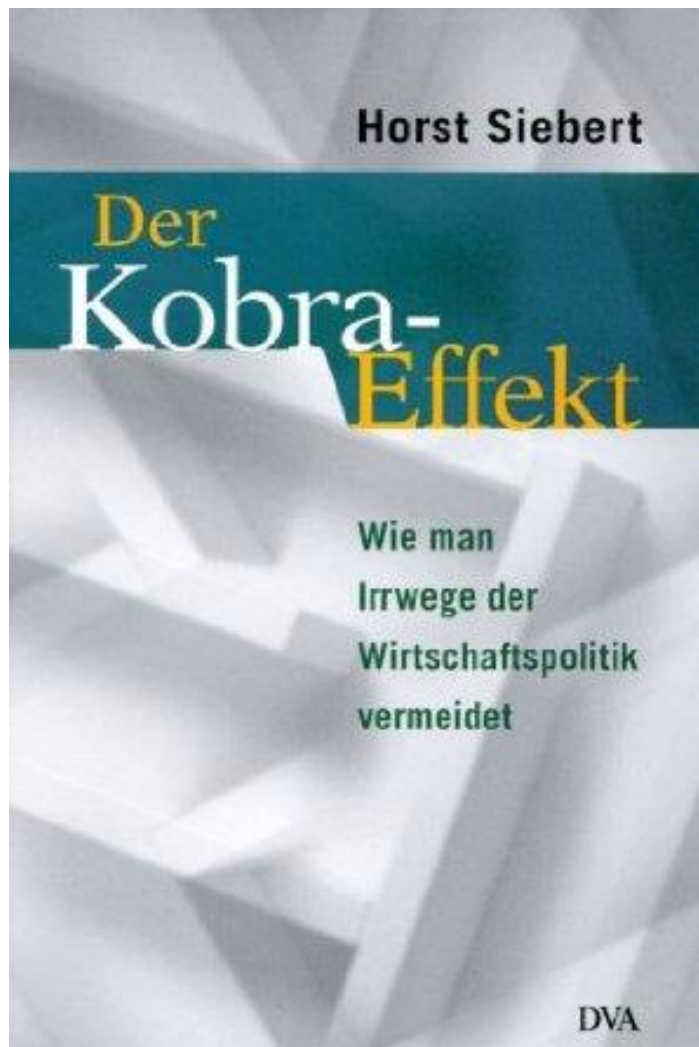
	Arbeitsstunden je Tonne Weizen	Arbeitsstunden je Tonne Kartoffeln
Bauer A	2	5
Bauer B	1	4

- » Maximale Arbeitszeit für beide Landwirte: 10 Stunden
- » Produktions- und Konsummöglichkeiten für A und B bei Autarkie?
- » Konsummöglichkeiten für A und B bei Spezialisierung und Handel?

» **Opportunitätskostenkalkül**

- Was kostet Bauer A (Bauer B) eine Tonne Weizen?
- Was kostet Bauer A (Bauer B) eine Tonne Kartoffeln?

Reaktion auf Anreize: Der Kobra-Effekt

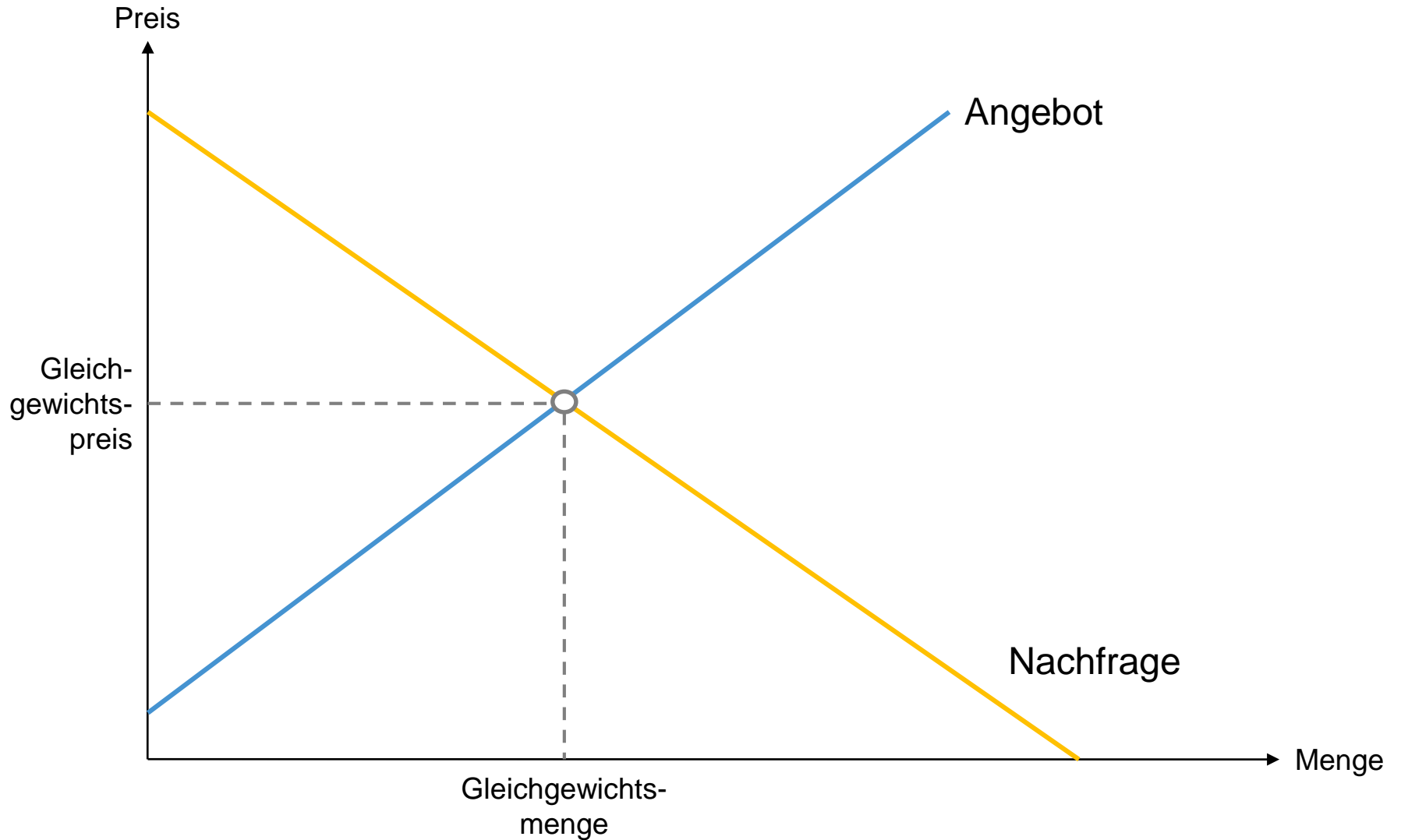




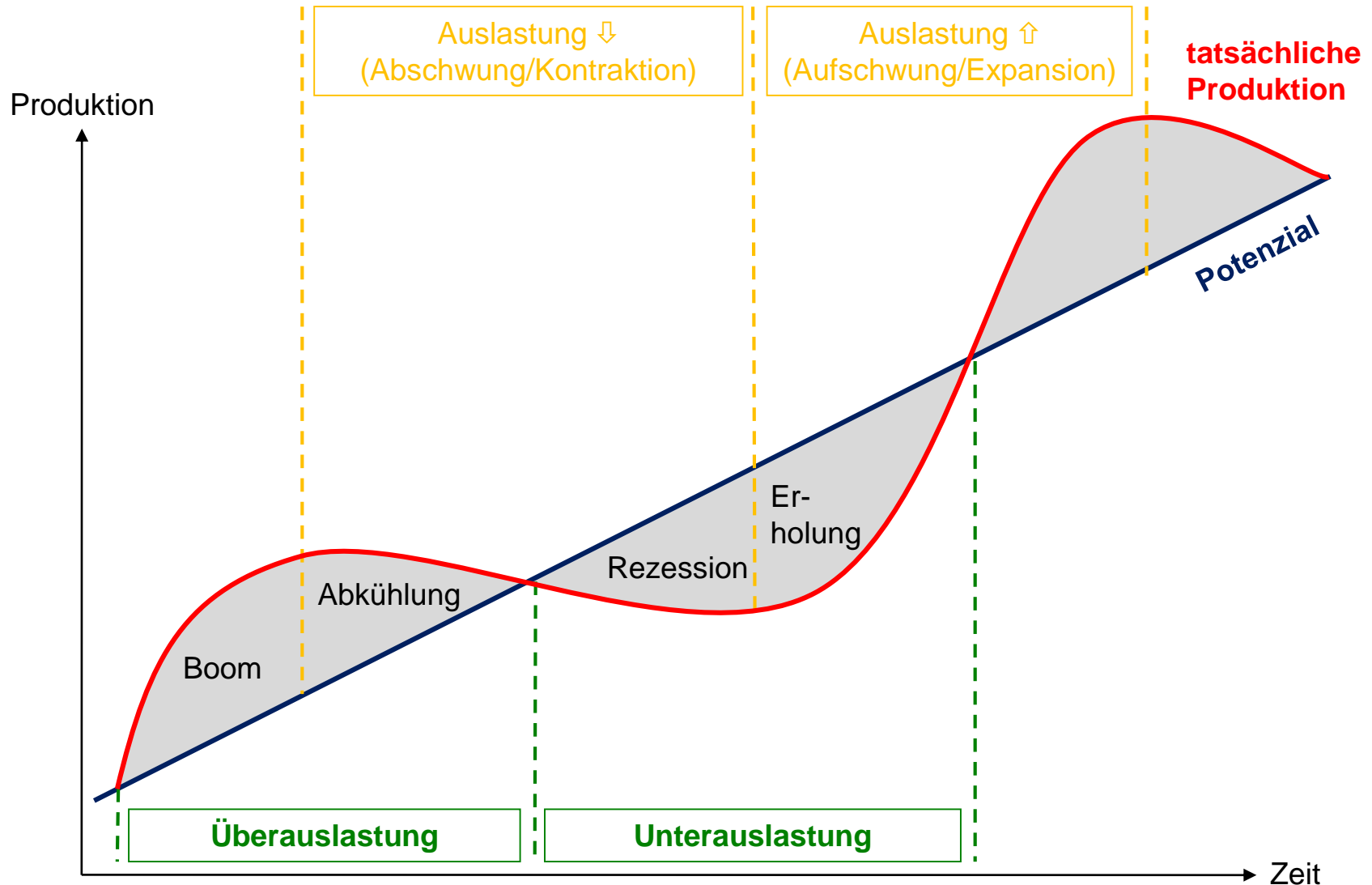
Adam Smith (1723 – 1790)

Wealth of Nations (1776)

„Nicht vom Wohlwollen des Metzgers, Brauers und Bäckers erwarten wir das, was wir zum Essen brauchen, sondern davon, dass sie ihre eigenen Interessen wahrnehmen. Wir wenden uns nicht an ihre Menschen-, sondern an ihre Eigenliebe, und wir erwähnen nicht die eigenen Bedürfnisse, sondern sprechen von ihrem Vorteil.“



Makroökonomische Analyse: Wachstum und Konjunktur: Potenzial vs. Auslastung

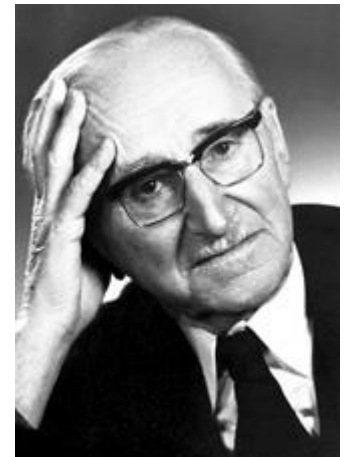


- Denken in Sektoren und Aggregaten (= Durchschnittsbildung)
- Komplexitätsreduktion, aber auch Aggregationsverluste
- Abstraktion von einzelwirtschaftlicher Sicht
– aber: mikroökonomische Fundierung (Aggregate \neq Akteure)

„Neither aggregates nor averages do act upon one another, and it will never be possible to establish necessary connections of cause and effect between them as we can between individual phenomena, individual prices, etc.“

Friedrich A. v. Hayek (1899–1992)

Prices and Production (1935)



⇒ **Integrität des ökonomischen Prozesses!**

- Mikro-Ebene: $\text{Umsatz} = \text{Menge} \times \text{Preis}$
 - » Menge und Preis sind beobachtbar
 - ⇒ **Umsatz wird berechnet**
- Makro-Ebene: $\text{Menge} = \text{Umsatz} / \text{Preis}$
 - » Umsatz (= nominale Größe) ist beobachtbar
 - » Durchschnittspreise sind beobachtbar/konstruierbar
 - ⇒ **Menge (= reale Größe) wird konstruiert (nicht beobachtbar)**
- Beispiel:

„Die privaten Konsumausgaben sind nominal um 3 Prozent gestiegen, preisbereinigt verbleibt ein Plus von 2 Prozent.“

 - » Nominaler Anstieg (Umsatzzuwachs): 3 Prozent
 - » Durchschnittlicher Preisanstieg: 1 Prozent
 - ⇒ „Durchschnittlicher“ Anstieg der Konsummenge: 2 Prozent

Äpfel + Birnen
=
Obst?

Gesamtwirtschaftliches Güter- und Produktionskonto

Aufkommen/Entstehung

Verwendung

Produktionswert (zu Marktpreisen) PW^M <ul style="list-style-type: none"> Nettogütersteuern (Gütersteuern – Gütersubventionen) NGS $TIND$ $GSUB$ Produktionswert (zu Herstellungskosten) PW^{HK} 		BIP	BIP	Vorleistungen V	
				Letzte Verwendung <ul style="list-style-type: none"> Letzte inländische Verwendung <ul style="list-style-type: none"> Konsum (privat und staatlich) C Bruttoinvestitionen (privat und staatlich) I Exporte (Ausfuhr) Ex 	
Importe (Einfuhr) Im					

BIP = Bruttoinlandsprodukt zu Marktpreisen

Bruttoinlandsprodukt: Entstehungsrechnung

Produktionswert zu Herstellungskosten

– Vorleistungen

= Bruttowertschöpfung (durch Faktoreinsatz im Inland)

+ Gütersteuern

– Gütersubventionen

= **Bruttoinlandsprodukt zu Marktpreisen**

Bruttoinlandsprodukt: Verwendungsrechnung

Konsumausgaben* (privat und staatlich)
+ Bruttoinvestitionen* (privat und staatlich)
 » Vorratsveränderungen
 » Bruttoanlageinvestitionen
 (Ausrüstungen, Bauten, sonstige Anlagen)
+ Exporte*
 » Warenexporte
 » Dienstleistungsexporte
– Importe*
 » Warenimporte
 » Dienstleistungsimporte
= Bruttoinlandsprodukt zu Marktpreisen

Letzte
inländische
Verwendung
=
heimische
Absorption

Außen-
beitrag (AB)
=
Export-
überschuss

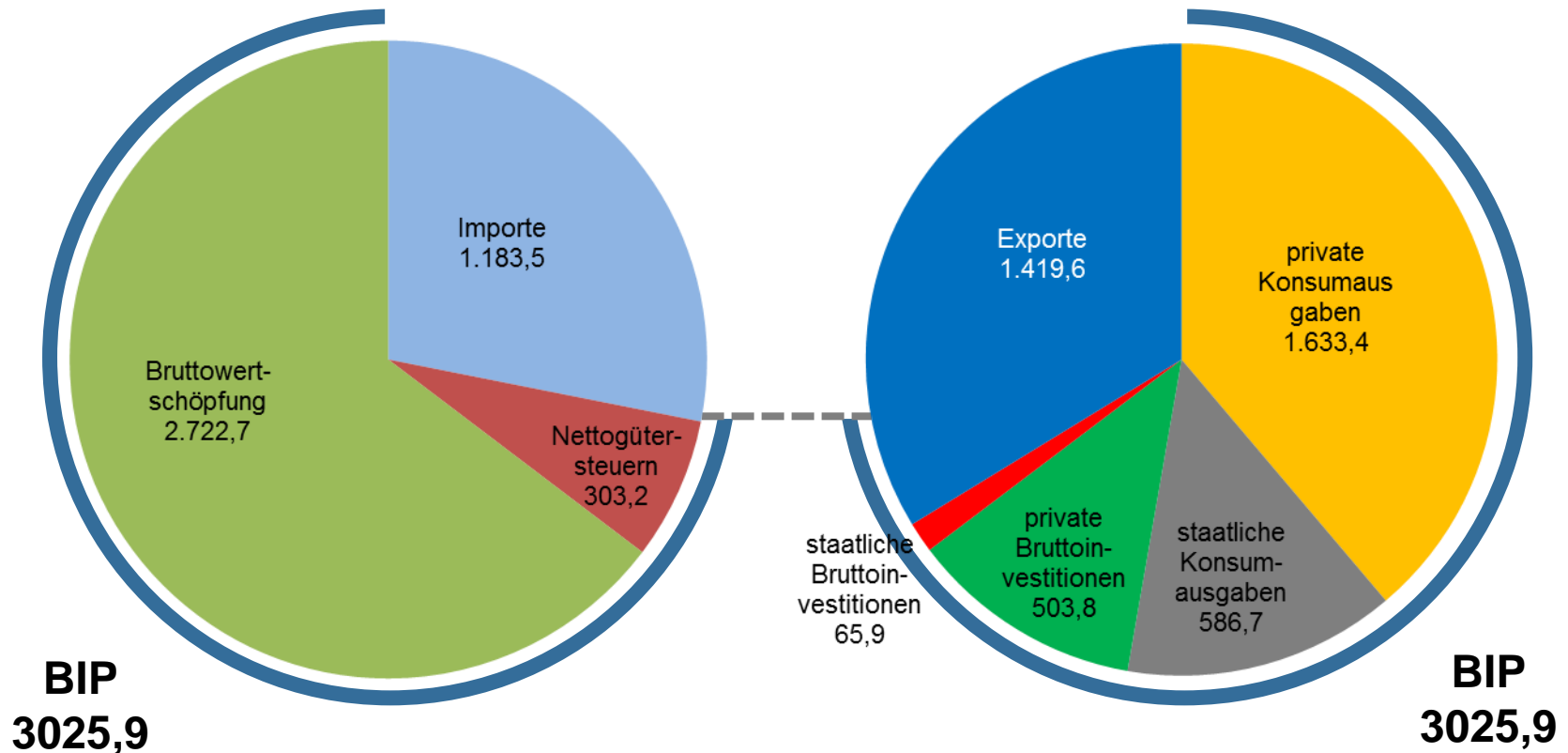
*zu Marktpreisen

Aufkommen und Verwendung in Deutschland

Angaben für das Jahr 2015 in Mrd. Euro; Quelle: Statistisches Bundesamt, Fachserie 18, Reihe 1.2

Aufkommen

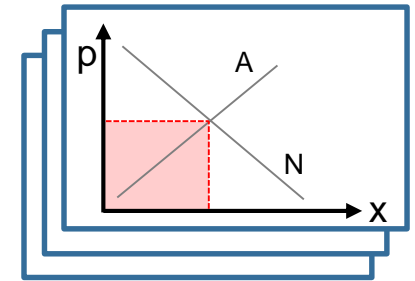
Verwendung



BIP-Disclaimer 1: Interpretation von Entstehung und Verwendung

VGR: Messung ökonomischer Aktivität (ex-post)

- Regelfall: Ökonomische Aktivität = Marktaktivität
- Gemessen werden realisierte (Markt-) Ergebnisse
- An jedem Marktergebnis sind immer beide Marktseiten beteiligt
- Jedes produzierte Gut ist (I) durch den Einsatz von Produktionsfaktoren entstanden und wird (II) für einen bestimmten Zweck verwendet.
- *(I) und (II) bilden die Entstehungs- bzw. Verwendungsdefinitionen für das Bruttoinlandsprodukt ab, sonst nichts!*



⇒ **BIP-Entstehung ≠ Gesamtwirtschaftliches Angebot**

⇒ **BIP-Verwendung ≠ Gesamtwirtschaftliche Nachfrage**

Beispiel: Anstieg der Konsumausgaben um 2 Prozent

- » Falsch: „Die Konsumnachfrage ist um 2 Prozent gestiegen.“
- » Richtig: „Die Konsumgüterumsätze sind um 2 Prozent gestiegen.“

BIP-Disclaimer 2: Aufkommen und letzte Verwendung

$$\begin{aligned} \text{BIP} &= C + I + AB \\ &= C^{\text{pr}} + C^{\text{st}} + I^{\text{pr}} + I^{\text{st}} + \text{Ex} - \text{Im} \\ &= C^{\text{pr}} + I^{\text{pr}} + G + \text{Ex} - \text{Im} \\ &\gg G = C^{\text{st}} + I^{\text{st}} \\ &\gg AB = \text{Ex} - \text{Im} \end{aligned}$$



definitionsgemäß!

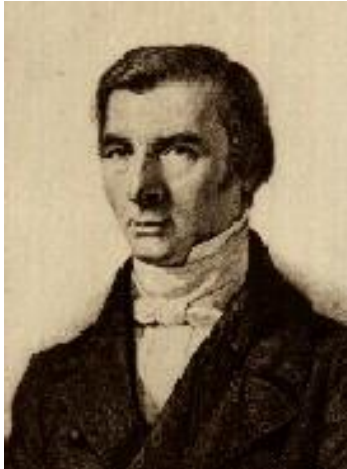


$$\text{BIP} + \text{Im} = C^{\text{pr}} + I^{\text{pr}} + G + \text{Ex} \text{ (Aufkommen } \equiv \text{ letzte Verwendung)}$$

- » Verwendungskomponenten enthalten Wertschöpfung aus dem Einsatz von Produktionsfaktoren im Inland (BIP) und im Ausland (Im)
- » $\Delta C \neq \Delta \text{BIP}$ (auch Importe können variieren)
- » $\Delta \text{Im} \neq -\Delta \text{BIP}$ (auch letzte Verwendung kann variieren)

⇒ **BIP-Definitionen erlauben keine Kausalaussagen!**

BIP-Disclaimer 3: „The Broken Window Fallacy“



Frédéric Bastiat (1801 – 1850)

Ce qu' on voit et ce qu' on ne voit pas (1850) [<http://bastiat.org/fr/cqovecqonvp.html>]

That Which is Seen, and That Which is not seen [<http://bastiat.org/en/twisatwins.html>]



<http://www.youtube.com/embed/QG4jhIPLVVs>

⇒ **Zerstörung schafft kein Einkommen!**

- „Pyramid building, earthquakes, even wars may serve to increase wealth.“
 - » John M. Keynes
- „Oh! What a lovely war!“ (...) „It took an enormous public works program known as World War II to bring the economy out of the depression.“
 - » Paul Krugman
- „Nothing is worse than a dictator with a wrong agenda having the right economic policy“
 - » Richard Koo zur NS-Wirtschaftspolitik

Bruttoinlandsprodukt vs. Bruttonationaleinkommen

Angaben für das Jahr 2015



Inländerkonzept

3091,5 Mrd. Euro

Einkommen aus dem Ausland
(197,4 Mrd. Euro)

Einkommen von Inländern aus dem Inland
(2894,1 Mrd. Euro)

BNE



Inlandskonzept

BIP

Einkommen an das Ausland
(131,8 Mrd. Euro)

3025,9 Mrd. Euro

Bruttoinlandsprodukt zu Marktpreisen (BIP)

+ empfangene Primäreinkommen aus dem Ausland

– geleistete Primäreinkommen an das Ausland

= Bruttonationaleinkommen zu Marktpreisen (BNE)

– Abschreibungen

= Nettonationaleinkommen zu Marktpreisen

– Produktions- und Importabgaben

» Gütersteuern

» Sonstige Produktionsabgaben

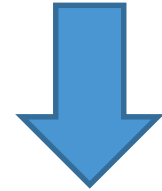
+ Subventionen

» Gütersubventionen

» Sonstige Subventionen

= Nettonationaleinkommen zu Faktorkosten (Volkseinkommen)

Inlandskonzept



Inländerkonzept

Nettonationaleinkommen zu Faktorkosten (Volkseinkommen)

– Arbeitnehmerentgelte

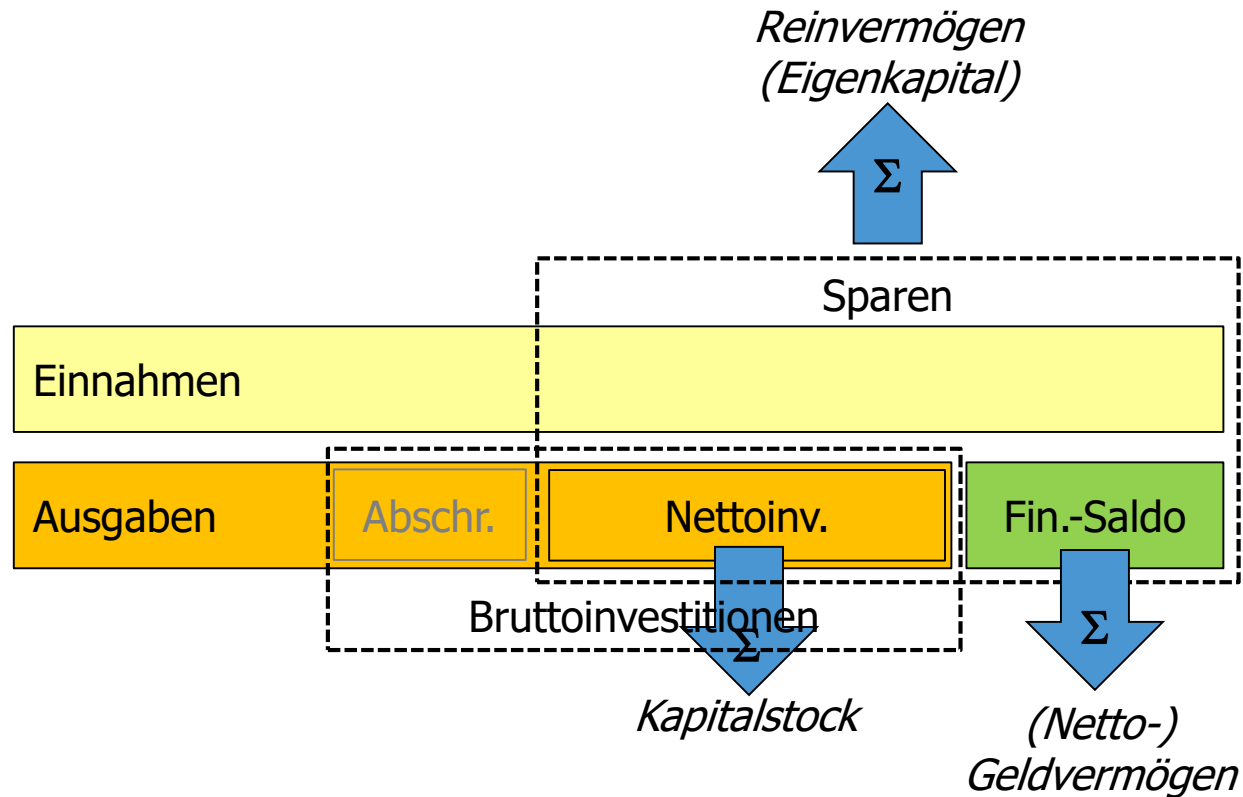
- » Sozialbeiträge der Arbeitgeber
- » Bruttolöhne und –gehälter
 - Sozialbeiträge der Arbeitnehmer
 - Lohnsteuer
 - Nettolöhne und -gehälter

= Einkommen aus Unternehmertätigkeit und Vermögen

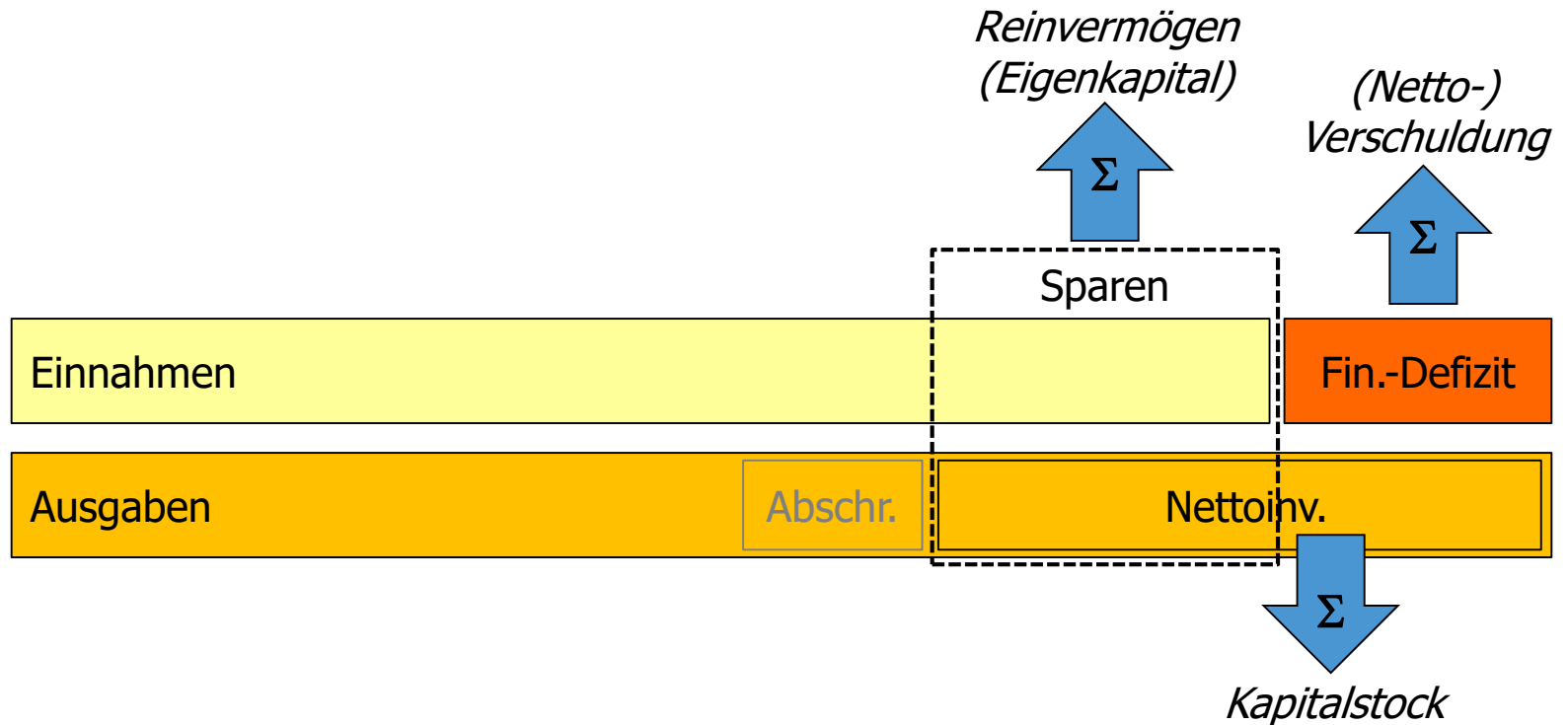
Lohnquote = Arbeitnehmerentgelte/Volkseinkommen

- **Finanzierungssaldo** = Einnahmen – Ausgaben
= **Veränderung des Geldvermögens**
- **Ersparnis** = Finanzierungssaldo + Nettoinvestitionen
= Einkommen – Konsumausgaben
= **Veränderung des Reinvermögens**
- **Nettoinvestitionen** = Bruttoinvestitionen – Abschreibungen
= **Veränderung des Kapitalstocks**

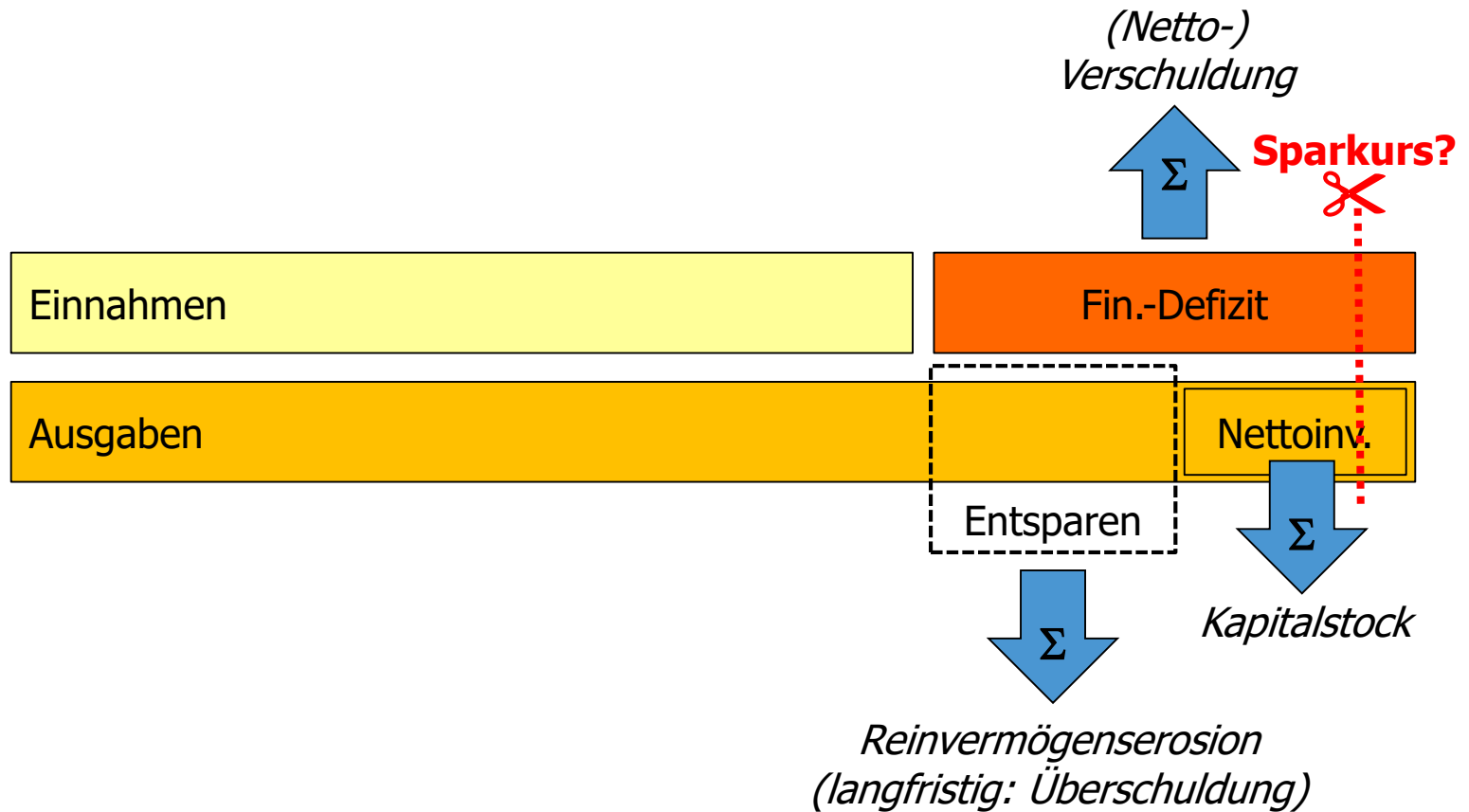
Sparen und Finanzierungssaldo, Kapitalstock, Vermögen und Verschuldung (1/4)



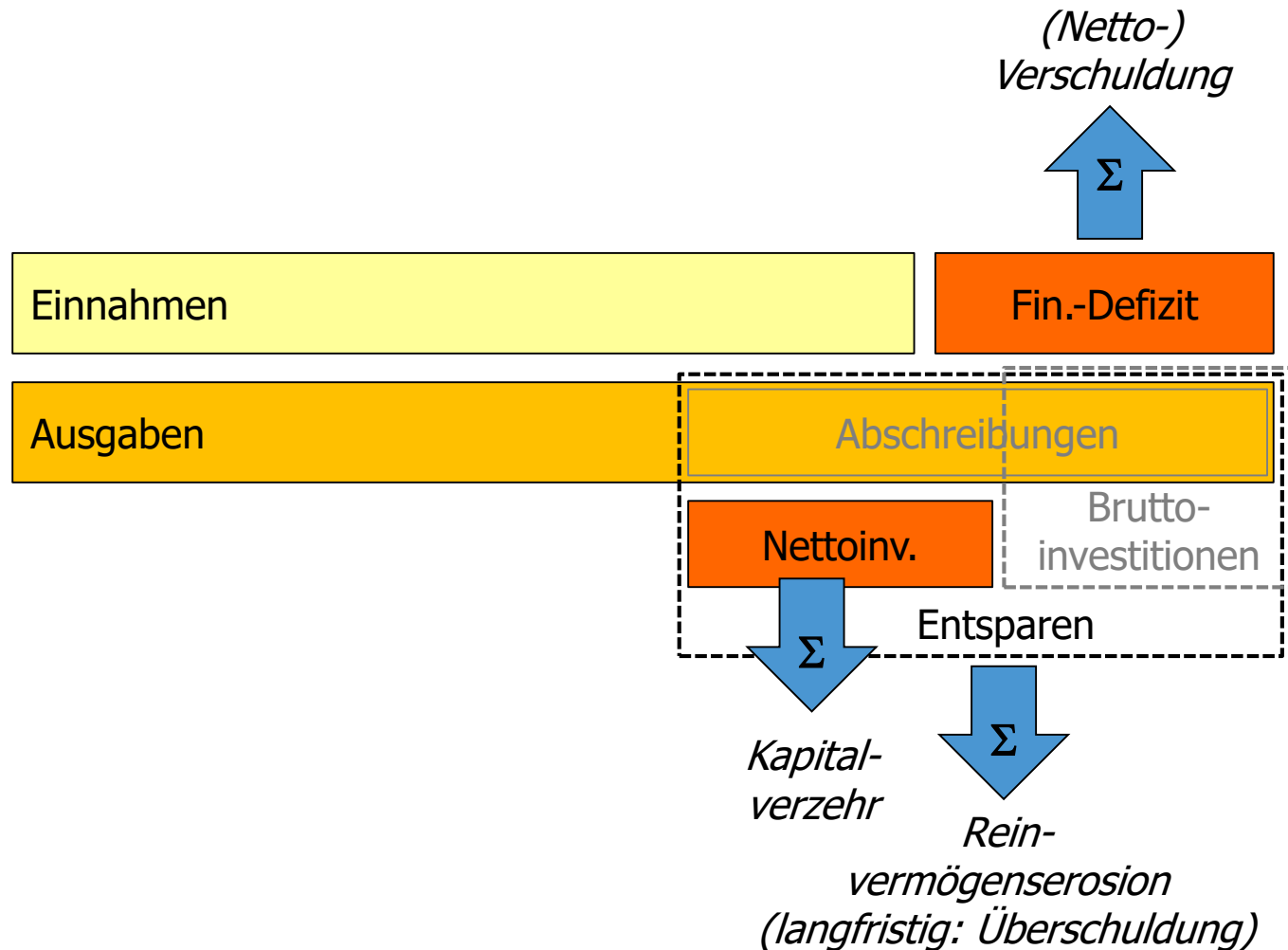
Sparen und Finanzierungssaldo, Kapitalstock, Vermögen und Verschuldung (2/4)



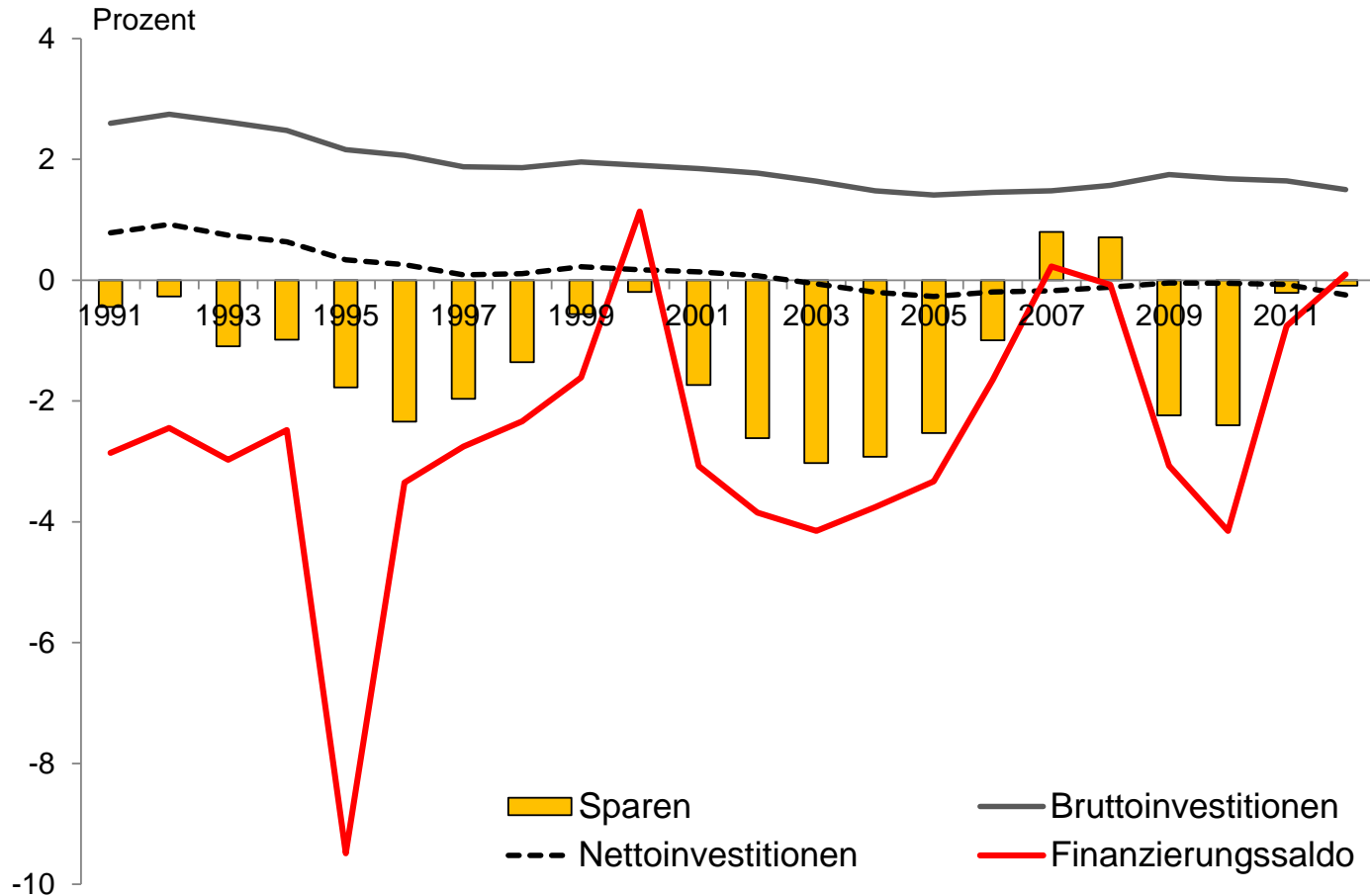
Sparen und Finanzierungssaldo, Kapitalstock, Vermögen und Verschuldung (3/4)



Sparen und Finanzierungssaldo, Kapitalstock, Vermögen und Verschuldung (4/4)

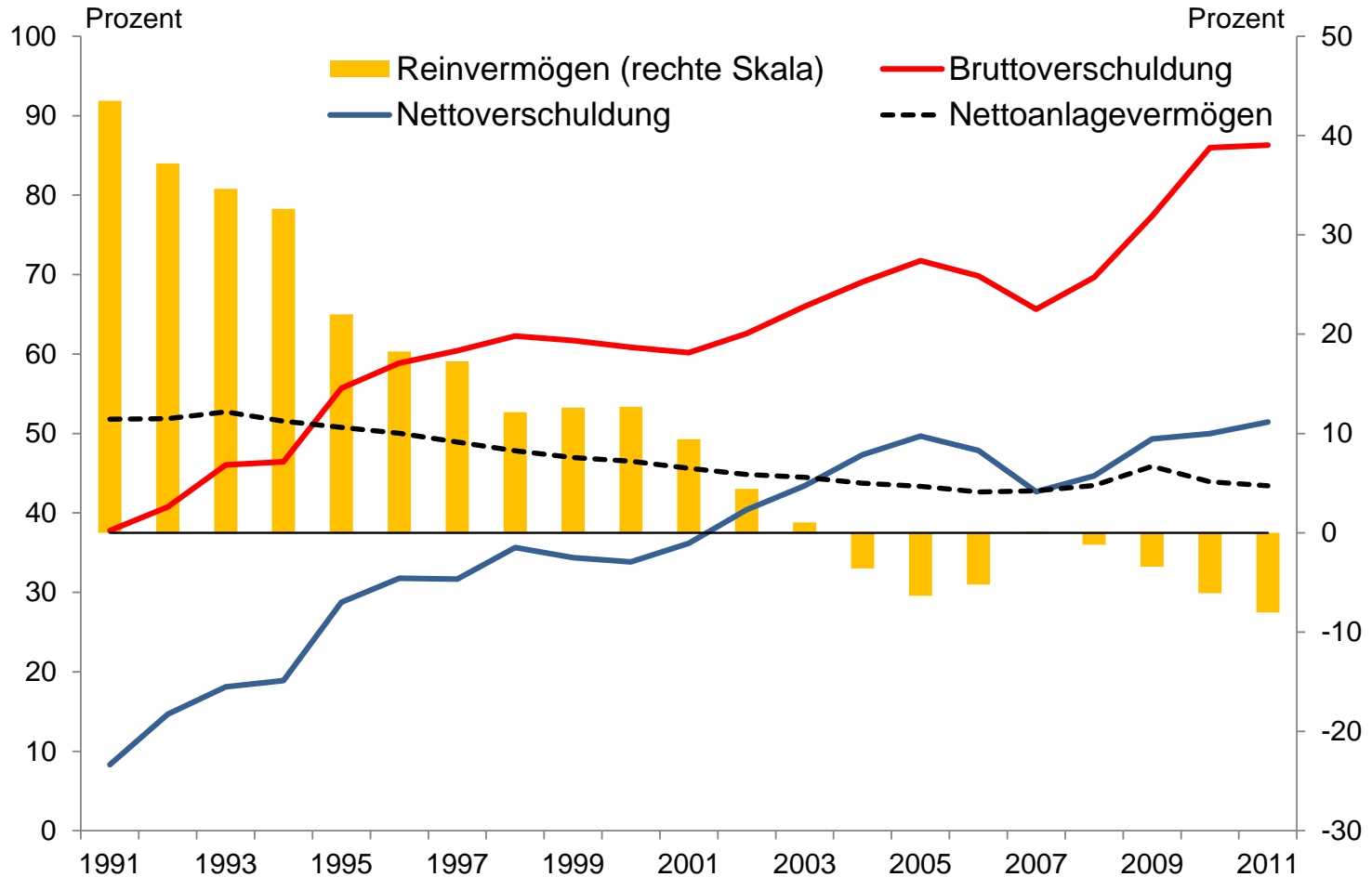


Öffentlicher Sektor in Deutschland: (Ent-)Sparen, Investitionen, Finanzierungssalden

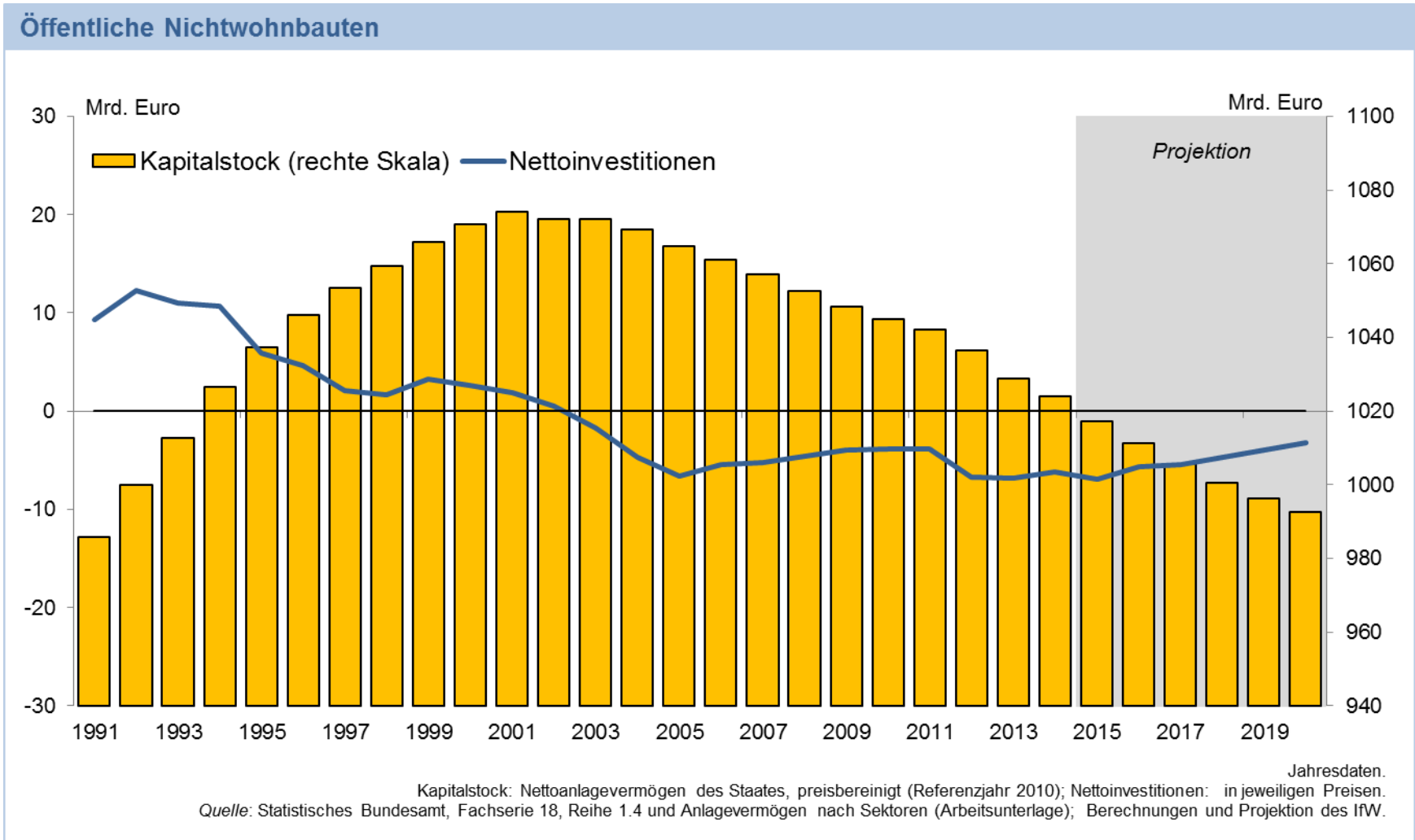


Jahresdaten, in Relation zum Bruttoinlandsprodukt.
Quelle: Statistisches Bundesamt, Berechnungen des IfW.

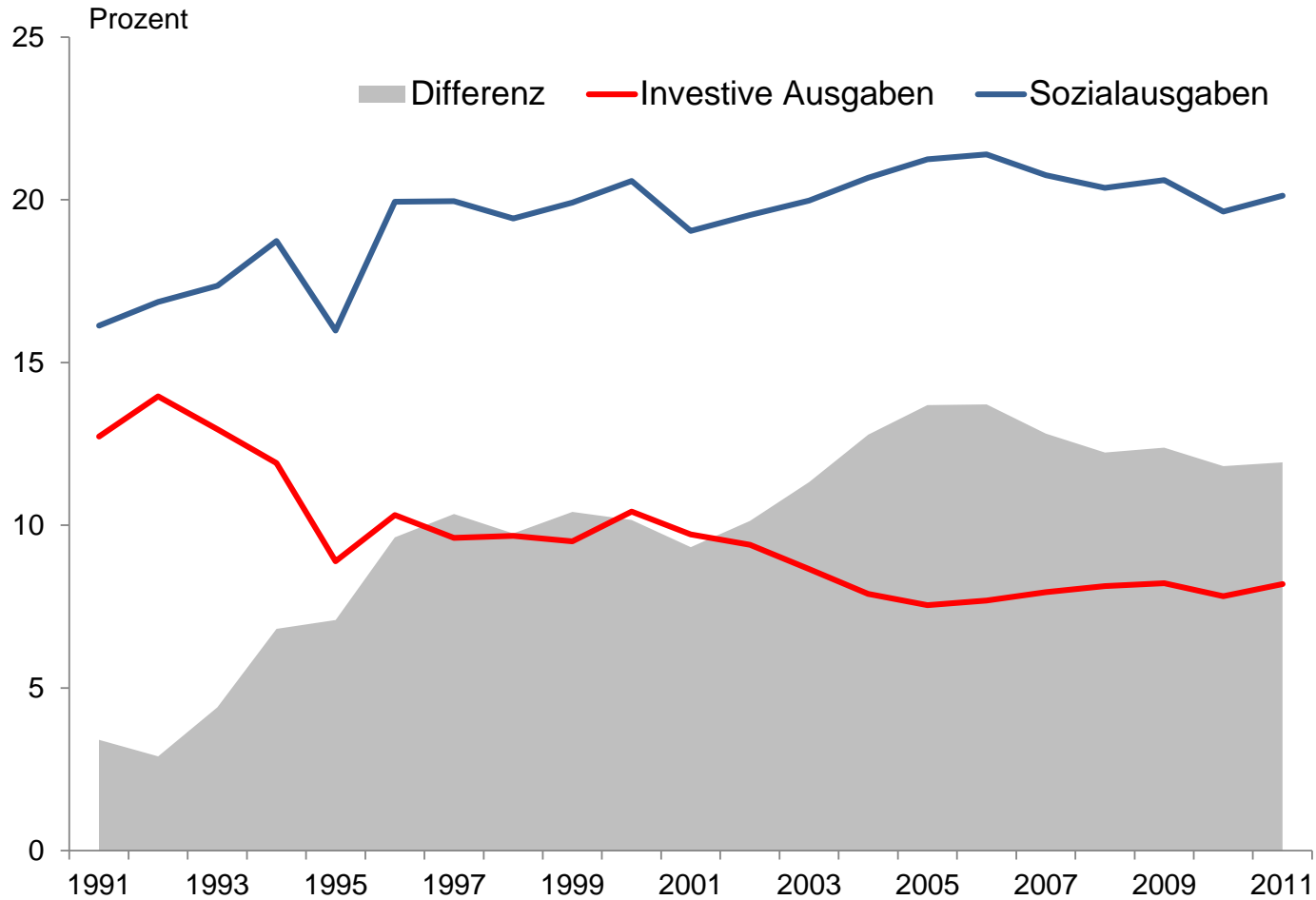
Öffentlicher Sektor in Deutschland: Verschuldung, Kapitalstock und Vermögen



Jahresdaten, in Relation zum Bruttoinlandsprodukt; Reinvermögen: ohne Bauland.
Quelle: Statistisches Bundesamt, Deutsche Bundesbank, Berechnungen des IfW.



Ausgabenstruktur der Gebietskörperschaften



Jahresdaten, Anteil an den Gesamtausgaben;
 Investiv: Bruttoinvestitionen und Investitionszuschüsse; Sozial: Monetäre Leistungen und Sachleistungen.
 Quelle: Statistisches Bundesamt, Berechnungen des IfW.

Teil 2: Österreichische Schule (Austrian Economics)

Agenda

- Introduction
- Human Action
- Goods, value, and price
- Entrepreneurship and market processes
- Money
- Production, capital, and interest
- Business cycles and crises
- Social philosophy
- Epistemology and applications

- **Introduction**
- Human Action
- Goods, value, and price
- Entrepreneurship and market processes
- Money
- Production, capital, and interest
- Business cycles and crises
- Social philosophy
- Epistemology and applications

- “Austrian” Economics?
 - » Methodenstreit with German Historical School
 - ⇒ **Pronounced pro-theory approach in economics**

- Cradle of modern economic thinking
 - » Marginal revolution, concept of opportunity costs
 - » Subjectivist theory of value
 - » Methodological individualism
 - ⇒ **Next significant stage of economics after the classics**

- Criticism of homo oeconomicus and Neoclassics
 - » Over-simplistic assumptions (economic core is assumed away)
 - » “Pure-and-perfect competition” as model without true competition (e.g. problem of representative firms)
 - » Problematic macro-micro-dichotomy
 - ⇒ **Economics as a social science, comprehensive view on entrepreneurs**

- Praxeology: Economics as the science of human action
- Catallactics: Science of human inter-action (market exchange)
- Aprioristic analytic framework
 - » Set of fundamental claims describing economic/social reality
 - » Strictly deductive logic as ultimate proof only
(vs. eclecticism and data-driven “empirically evidence-based” work)
 - » Focus on pattern prediction
- Liberalism as a social philosophy
 - » Search for laws driving voluntary social cooperation
 - » Evolutionary view on institutions (trial-and-error), “spontaneous order”
 - » Contractual society as benchmark for human interaction

- Production and value theory
 - » Production in time-consuming stages, no uniform production function
 - » Process of value imputation in a modern complex economy
- Theory of money and credit
 - » Money vs. money substitutes; monetary regression theorem
 - » Currency competition, private money production
- Pure theory of interest and capital
 - » Time preference and interest
 - » Capital as a structured stock of non-permanent means (path-dependency)
- Monetary theory of the business cycle
 - » Non-neutrality of money
 - » Credit creation and banking crises

Major topics (2/2)

- Exploding overproduction/excess saving theories
 - » No limits to “growth” (division of labor/capital accumulation)
- Evolutionary emergence of social institutions
 - » Human discovery vs. human design
- Impossibility theorem of economic calculation under socialism
 - » Role of private property for price mechanism

- Precursors: Juan de Mariana (1512-1577), Richard Cantillon (1680-1734), A.R.J. Turgot (1727-1781), Jean-Baptiste Say (1767-1832), Frédéric Bastiat (1801-1850)
- **Founder: Carl Menger (1840-1921)**
- Eugen v. Böhm-Bawerk (1851-1914), Friedrich v. Wieser (1851-1926), Frank A. Fetter (1863-1949)
- **Ludwig v. Mises (1881-1973)**
- **Friedrich A. v. Hayek (1899-1992)**, Ludwig Lachmann (1906-1990), Henry Hazlitt (1894-1993), Wilhem Röpke (1899-1966)
- Murray N. Rothbard (1926-1995), Israel M. Kirzner (*1930), George Reisman (*1937)
- Roger W. Garrison (*1944), Joseph T. Salerno (*????), Hans-Hermann Hoppe (*1949), Jesús Huerta de Soto (* 1956), George A. Selgin (*1957), Guido Hülsmann (*1966)
- Thomas Mayer, Rahim Taghizadegan, Philipp Bagus, ...

Ludwig von Mises Institute: www.mises.org

- Introduction
- **Human Action**
- Goods, value, and price
- Entrepreneurship and market processes
- Money
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Man acts.

Implications of “human action” (1/2)

- Purposeful conduct: Aiming at reducing uneasiness
 - » The human actor “wants to substitute a state of affairs that suits him better for one that suits him less”. (Mises)
 - » Human beings as universal entrepreneurs (explorers, not decision automata)
 - » Action: decision making + search for means

- Individuals act ...
 - » ... but not in isolation (society formed by voluntary interaction)
 - » ... groups/aggregates do not (anti-collectivist approach)

- Preferences as ranks only
 - » Chosen ends are strictly subjective
 - » Making choices on means (no discussion of ends)
 - » No room for interpersonal comparison of utility (no social planner)

Implications of “human action” (2/2)

- Diminishing marginal utility
 - » Follows from praxeological approach (outcome, not an assumption)
 - » Not a psychological/physiological phenomenon

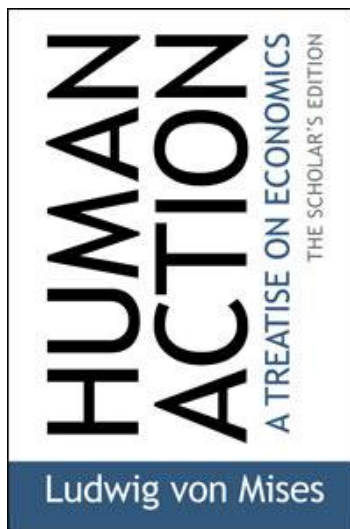
- Action in time
 - » Dynamic disequilibrium approach
 - » Evenly rotating economy as a state of non-action (thought experiment only)

- Uncertainty: Limited and distributed knowledge
 - » Action as speculation based on subjective judgments
 - » Knowledge: Local, fragmentary, non-centralizable
 - » Prices as universal information carriers
(The Use of Knowledge in Society, Hayek 1945)

Ludwig von Mises (1881 – 1973)

Nationalökonomie – Theorie des Handelns und Wirtschaftens (1940)

Human Action (1949)



<http://mises.org/document/3250>

- Compositive method
 - » Individuals as point of departure for economic analysis
 - » Explaining social processes via inter-actions of involved persons
 - » Aggregates are constructivist pseudo-entities, no facts

- Individuals ...
 - » ... are diverse
 - » ... have exogenous preferences
 - » ... are capable of acting on their own
 - » ... follow their vested interest (\neq egocentric, selfish)

- Subjectivism
 - » Individual preferences
 - » No scientific inter-subjective comparisons of utility

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Nature of (economic) goods

- Human need
- +
- Causal connection to satisfy such a need
- +
- Human knowledge of this causal connection
- +
- Sufficient command of the thing



Carl Menger (1840 – 1921)

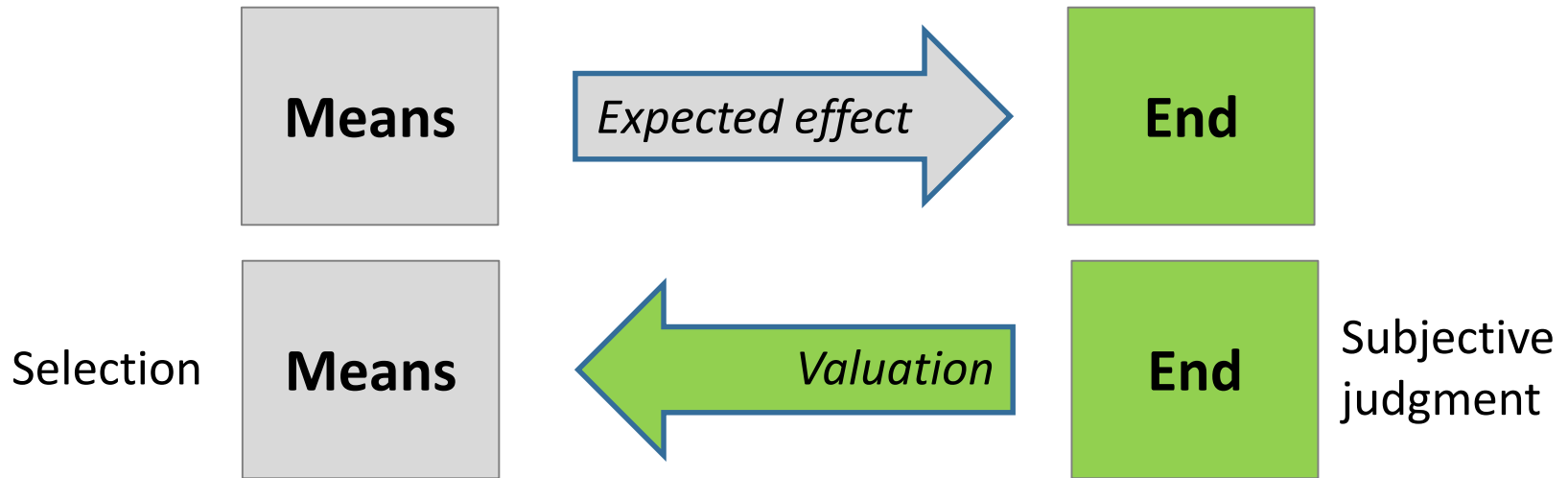
Grundsätze der Volkswirtschaftslehre (1871)

Principles of Economics (1976)

⇒ **Subjectivist theory of the good**

- » Good-character depends on human judgment
- » Quality/value not an objective property of the good

Means, ends, and valuation



- Reverse value imputation
 - » An end may not „sanctify“ the means, but it **values** it!
 - Limited knowledge
 - » Action under uncertainty (= speculation)
 - Rationality
 - » Humans do not purposefully act against their aims
- ⇒ **Final purpose of economic activity: Consumption goods**

- Solving the value paradoxon
 - » Subjectivism
 - » Marginalism

- Marginal principle \neq infinitesimal analysis
 - » Relevant units matter!

- Subjectivist theory of value
 - » Value = opportunity cost
 - » Trilateral relation between human actor and 2 options
 - » Exploding classical labor theory of value

- Violence (military campaigns, robber barons)
- Discrimination (Sex, Nationality, Age, ...)
- Greyhound racing („First come, first served“)
- Communism („Each according to his/her need“)
- Egalitarianism („Each the same“)

- **Market (competitive exchange mechanism)**
 - » **Property rights**
 - » **Voluntary exchange**
 - ⇒ „Each according to his/her preferences *and* performance for others“
(ability-to-pay resulting from market income = valuation by others)

The market signal system: Profits, Losses, Bankruptcy

■ Profits

- » Revenues (value creation) > Costs (value destruction)
- » Net creation of value
- ⇒ Agent stays in the game, activity can be expanded

■ Losses

- » Revenues < Costs
- » Net destruction of value
- ⇒ Yellow card (warning): activity should be reduced/modified

■ Bankruptcy

- » Revenues << Costs
- » Net value destruction ongoing/at large scale
- ⇒ Red card (sending-off): activity must stop (reallocation of resources)

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- Disequilibrium approach
 - » Menger/Hayek vs. Walras/Marshall tradition
 - » homo agens (HA) vs. homo oeconomicus (HO)

- Role of entrepreneurs
 - » Uncertainty: speculation, search, and discovery (HA as explorer)
 - » Universal arbitrageurs: investment as intertemporal arbitrage

- Dynamics and time
 - » Permanent adjustment process rather than sequence of equilibria
 - » Market system as feedback mechanism (ex-ante and ex-post prices)
 - » Time cannot pass without modifying knowledge (Hoppe)

Market process view (2/2)

- Prices as knowledge surrogates
 - » Deficiency of monetary calculation:
Distorted price structures vs. price level movements
 - » Non-neutrality of money (Cantillon effects)

- Competition
 - » Striving for better consumer satisfaction
 - » “Perfect” competition = no competition

⇒ Leaving the “evenly rotating economy” behind

- One economic process
 - » Micro level: Economic mechanisms and individual decisions
 - » Macro level
 - Mismatches on micro level show up as „imbalances“
 - Universal drivers (permeating into all micro markets)

⇒ Macroeconomics: Evidence for systematic misallocation of resources?
- Universal (= pervasive) drivers
 - » Money (medium of exchange)
 - » Interest (price of time)
 - » Capital (means for intertemporal coordination)
 - » Labor (most universal production factor)
 - » Constitutional framework (regulations, policy)

⇒ **Systemic micro disruptions as macro symptoms**

- Risks of macroeconomic misperceptions
 - » Aggregating/averaging the problems away (e.g. aggregate production function approach)
 - » Losing touch with microeconomic principles (e.g. key role of price mechanism)
 - » Over-interpreting national accounts concepts (e.g. identities tell nothing about causality or interdependency)
 - » Ignoring production structures (netting out intermediate consumption)

- Language (terminology) and reasoning (theory)
 - » Words can be misleading
 - » Wording matters

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- **Money emerged by evolutionary learning**
 - » Enabling indirect exchange
 - » Dramatically widening the division of labor

- **Money = medium of exchange**
 - » Pre-monetary value (regression theorem, Mises 1912)
 - » Homogenous, permanent, reversibly divisible
 - ⇒ Precious metals emerged as best-suited candidates

- **Money is a product of the market**
 - » Private money production prior to state monopoly (Menger 1892), contrary to the “State theory of money” (Knapp 1921, Peacock 2013)
 - » Standardization reduce transaction cost even further
 - » Governments can act as standard setters for monetary units ...
 - » ... but historically acted primarily as counterfeiters

■ Legal privilege

- » Granted to the banking industry only
- » Deposit vs. loan contracts (Huerta de Soto 2012)
(safekeeping vs. temporary transfer of availability)
- » Borderline between liquidity provision (deposits) and capital provision (loans) becomes legally and economically indistinct
- ⇒ Interplay of central bank and commercial banks:
Money production as a Public-Private-Partnership (Seignorage sharing)

■ Genuine banking

- » Deposit services (100 percent reserve requirement) subject to charges
- » Credit intermediation (bringing savers and investors together) including risk assessment, volume (and maturity?) transformation

■ Macroeconomic consequences

- » Credit and money creation out of thin air
- » Drives a wedge between ex ante saving and credit/investment
- » Non-neutrality of money (Cantillon effect)
- » Key mechanism in monetary business cycle theory (Hayek 1932)

■ Macroeconomic benefits?

- » Two economies distinguished only by their quantities of money: Which one is better of? (Mints 1950)
- » Deflation – a case for monetary expansion? (Hülsmann 2008)
 - Deflation as a side-effect of crises (provoked by what?)
 - Deflation as the flip-side of increasing productivity
- » Commodity money: Cost reduction, freeing resources for final use (Wicksell 1935, Selgin 1988)
- » Fiat money: Risk transfer to private banks (but: moral hazard)

Debt-backed money creation: Self-reference

- Money (means of payment) backed by ...
- ... securities (promises of future payments)



- Possibility of banks-runs due to fractional-reserve banking
 - » Central bank as “Lender of Last Resort” for liquidity support only
 - » Solvent, but illiquid banks (Bagehot 1873)
 - ⇒ Creeping process of expanding role as LoLR (concept dilution)

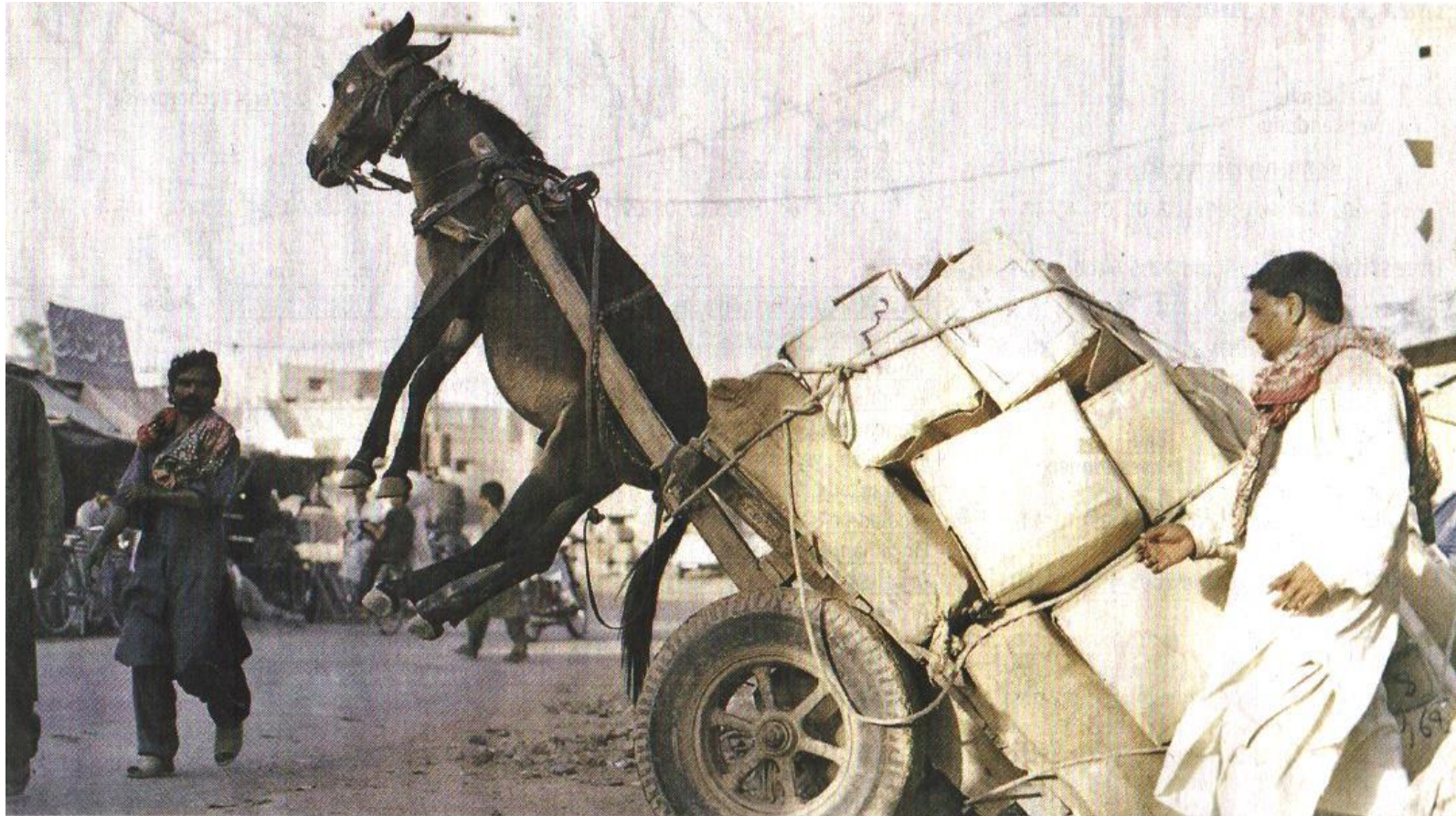
- Collateral risks infect stability of payment systems
 - » Central bank as bail-out agency? ⇒ only seemingly
 - » Ring-fencing financial stability by central supervision?
 - ⇒ Promoting monocultures of risk assessment/regulatory overkill

- Technically unlimited money creation capacity
 - » But: Too much money is no money (hyperinflations)
 - » And: Financing illusion of the money press (monetization as implicit taxation)
 - ⇒ Technical feasibility ≠ economic effectiveness

Monetary policy: The all-purpose weapon?

- Generic target: Provision of a means of exchange
 - Other targets
 - » Government financing
 - » Debt-monetization
 - » Boosting employment
 - » Business-cycle stabilization
 - » Systemic financial stability
 - Monetary policy
 - ⇒ **Potential conflicts**
 - ⇒ **Room for excessive rent-seeking**
 - ⇒ **High risk of sacrificing the (most abstract, general) generic target for (more simplistic, partisan) non-generic targets**
- What about Tinbergen?

Monetary policy: Overloaded!



Source: FAZ, 26. Oktober 2011, p. 11

■ Unknown monetary territory

- » World-wide (JP, USA, GB, EMU):
drastically increased monetary base unseen in peacetime before
- » Threat of solving fiscal burdens at the expense of money users
- ⇒ Search for alternatives (demand side)

■ Technological trends

- » Cash will disappear very soon (10 years?, 15 years?)
- » Enhanced electronic payments infrastructures
 - Internet-based services as a layer above traditional banking systems
 - Cash-like ubiquitous and permanently available virtual wallets (necessary for money as a network good)
 - Vast opportunities for data mining
- ⇒ Ability and incentives: new players (supply side)

⇒ **Potential demand and lower barriers-to-entry**

■ Forthcoming situation

- » Increasing potential demand for less costly medium of exchange
- » Full-fledged infrastructure for switching the reserve medium
- ⇒ Lower barriers-to-entry for private money production
(back to the roots: denationalization/re-privatization of money)

■ What private money?

- » Reserve medium: fiat money or commodity money
- » Pure cyber money (BitCoin etc.): contrary to regression theorem, no backstop, highly exposed to fraud due to incentives and intransparency
- » Virtual wallets make precious metals fully fungible
- » Come-back of gold (strong suck-in effects)
- » Free banking and reputation building: 100-percent-money?
(maximum degree of transparency, ETF-like situation)
- ⇒ **Private money services as management of gold reserves**

The search for alternatives (2/2)

- **Transition process**
 - » Gradual, not a 1-0-decision (experimental phase)
 - » Remonetization of gold and the gold price: positive feedback loop
 - » From the start a globally accepted means of payment
 - » Reverse of Gresham's law (= Thier's law) applies
 - **Regulatory preconditions**
 - » None, only full protection by existing civil laws (deposit laws)
 - **Governmental response?**
 - » Repeated prohibition of monetary gold (New Deal 2.0)?
 - » Compulsory state-issued currency for public-private-payments?
 - » Safe sites for the gold base of global money providers?
- ⇒ **Consequence: End of monetary policy**

Two monetary perspectives

- The optimistic (utopian?) view
 - » Emergence of (parallel) hard currencies
 - » Transition to 100-percent money
 - » Restoration of market principles (accountability)
 - » Separation of money and credit
 - ⇒ **Stable global means of exchange**

- The pessimistic (realistic?) view
 - » Devaluation spirals, currency wars
 - » Wealth taxes, financial repression, hyperinflation
 - » Interventionist regulatory overkill
 - » Disruption of financial stability
 - ⇒ **Economic chaos**

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“Final aggregate demand”: No demand and not all of it is final

Goods and services account

Source/Input (not: supply)

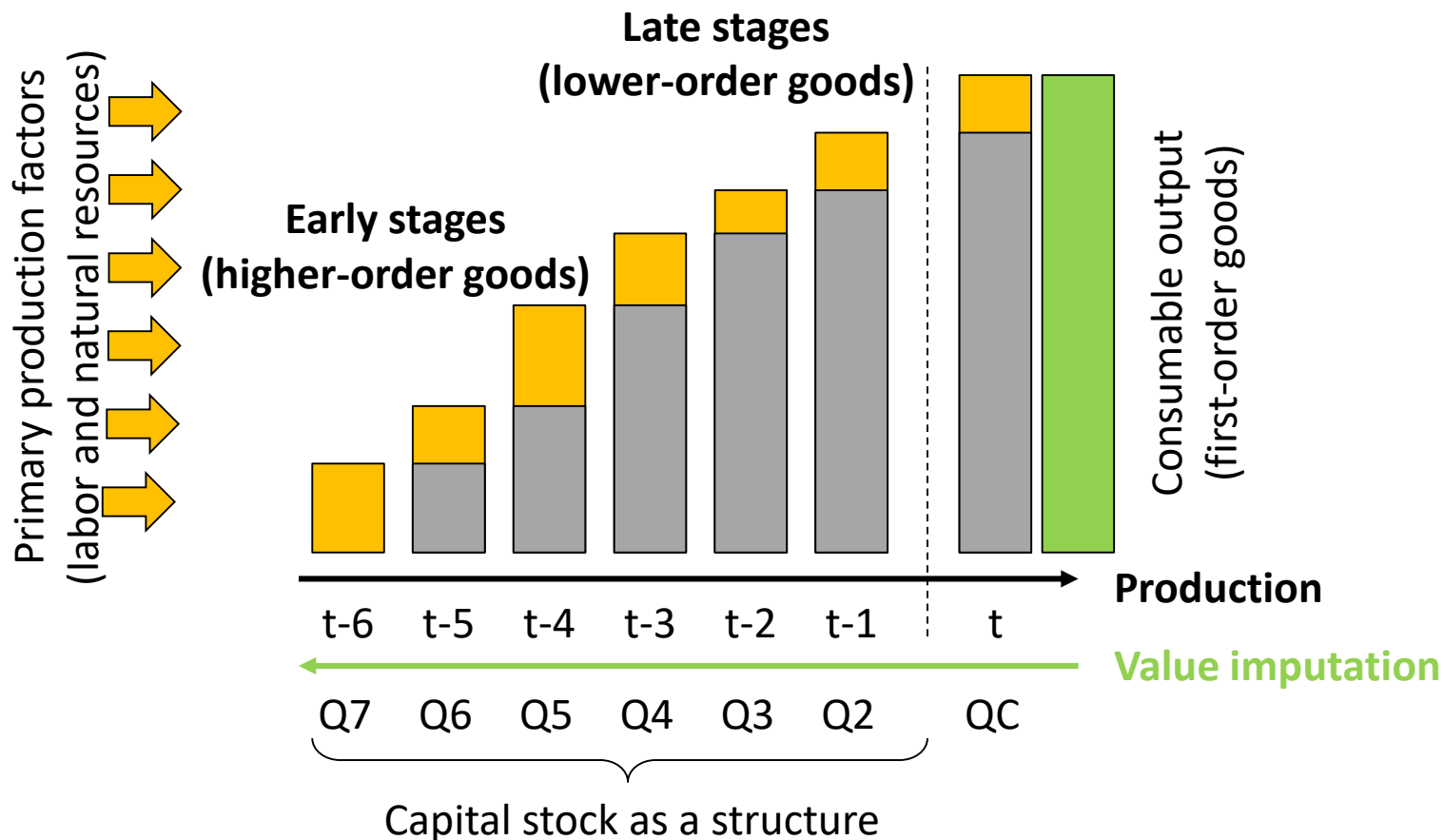
for period t

Use/Output (not: demand)

Intermediate consumption (production structure)	Intermediate consumption (production structure)
Domestic value-added	Final consumption (exclusive source of value)
	Domestic capital formation
	Capital formation abroad
Imports	Exports

**„Final“ use of domestic production
(only with respect to period t)**

Production as a time consuming, multi-stage process



⇒ **Capital formation: intertemporal intermediate consumption**

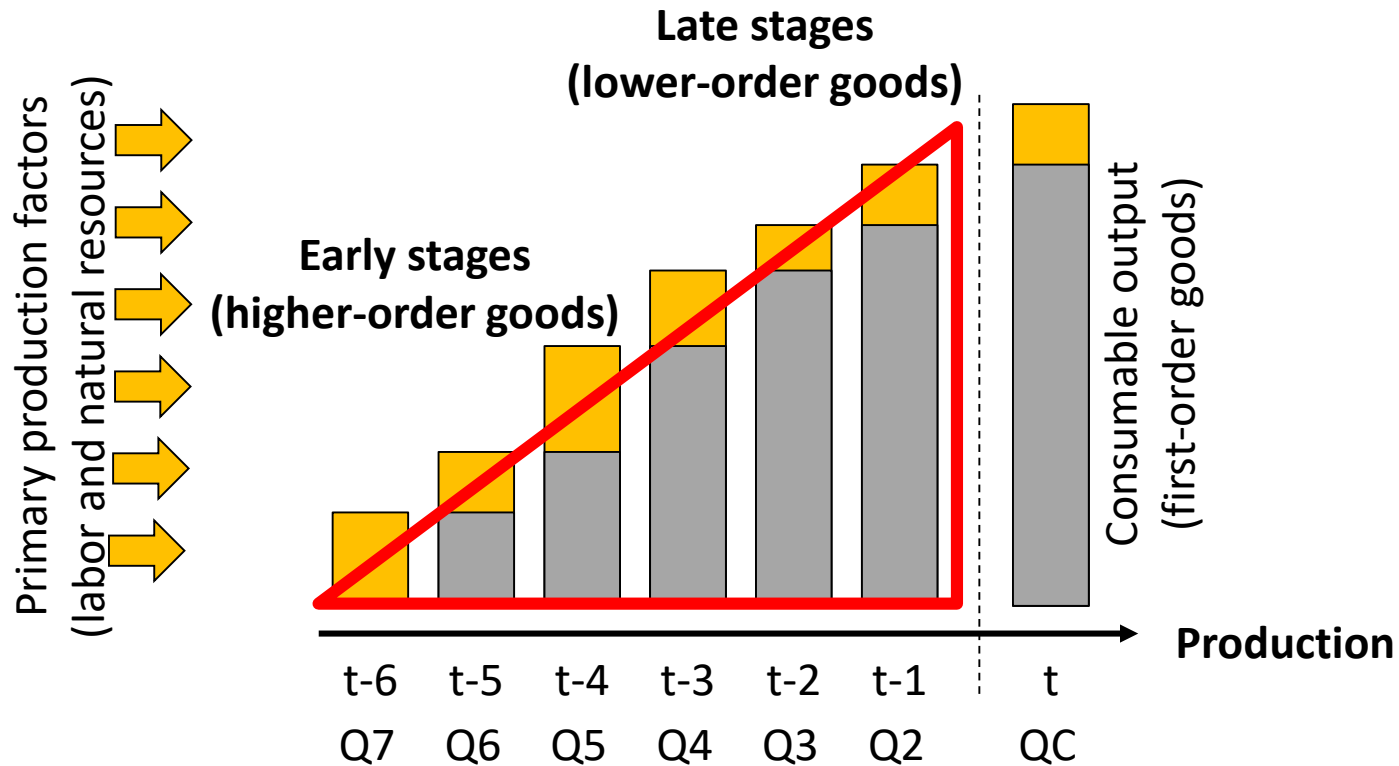
- Capital as intentionally produced productive means ...
 - » ... not a disembodied abstraction or homogenous aggregate
 - » ... nor a self-perpetuating (“Knightian”) fund
 - Structure of heterogeneous goods
 - » Limited convertibility and recombination losses
 - » Capital as a structural pattern (Lachmann)
 - Value dimension:
 - » Ability to allow individuals to more readily realize their plans rather than physical characteristics or physical history
 - » “Unfinished entrepreneurial plans” (Kirzner): Capital goods to be assessed in light of their usefulness to those plans
- ⇒ **Missing link between micro and macro level (Skousen)**



- Low capital intensity

- High capital intensity
 - » Higher **gross** value added per capita (trivial)
 - » Higher **net** value added per capita (via natural forces)

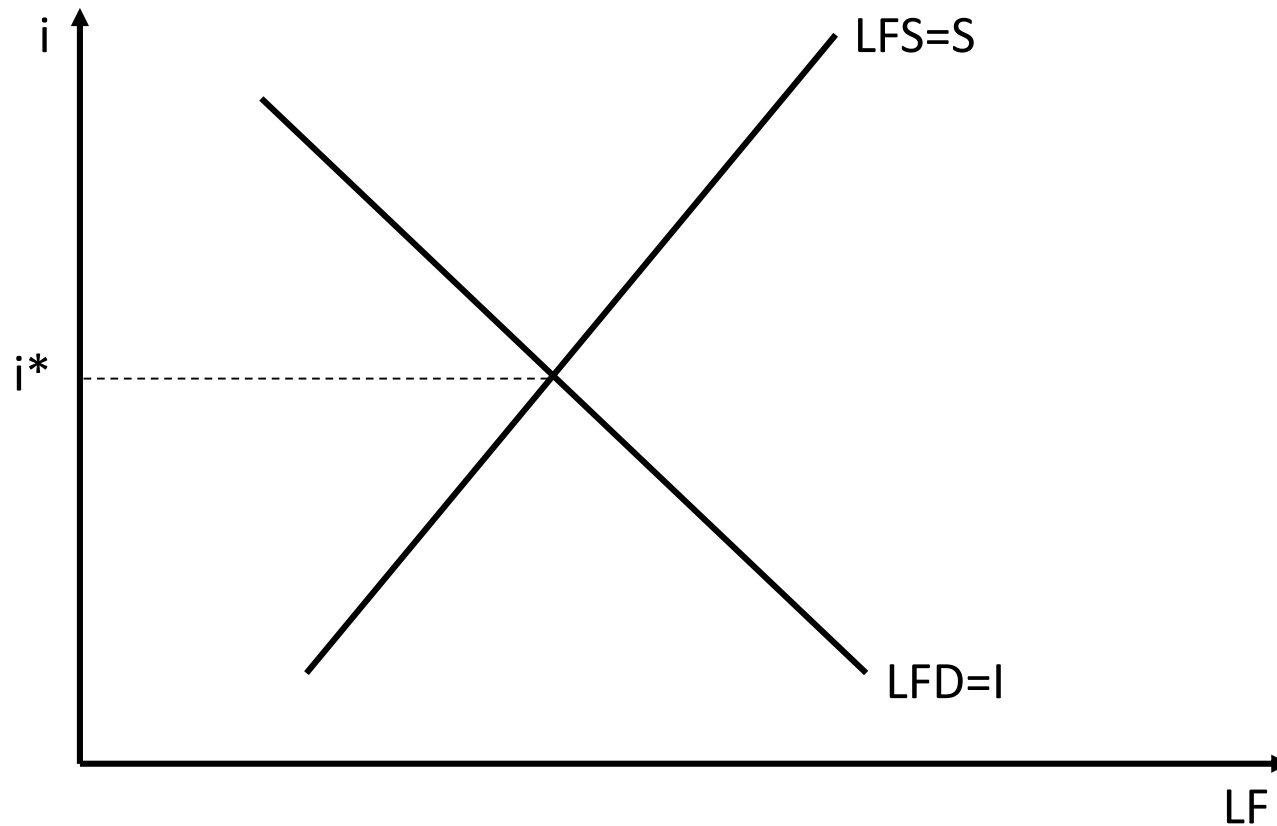
Production: The Hayekian triangle



⇒ Number of production stages/shape of the Hayekian triangle?

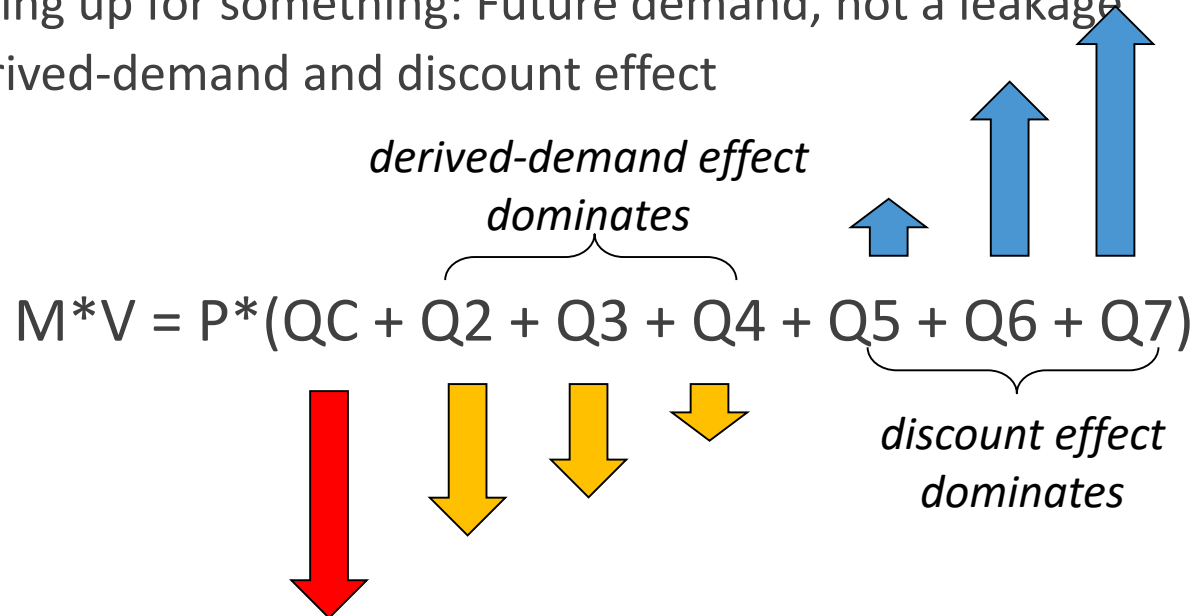
- Interest as a value phenomenon
 - » Expression of time preference
 - » Price of future goods relative to present goods
 - » Discount rate interwoven in the entire price system
 - Capitalization theory (Fetter): Interest vs. price of capital
 - » Productivity of capital reflects in price of capital goods
 - » Valuation of reproducible capital pushed backward to primary factors
 - » Price of capital = present value of future income streams
 - Interest and “roundaboutness of production”
 - » Capital-intensity increases labor productivity via natural forces
 - » Choice of more roundabout production schemes depends on time preference
- ⇒ **Pure time preference = market rate of interest?**

Interest rate and market for loanable funds



- Saving

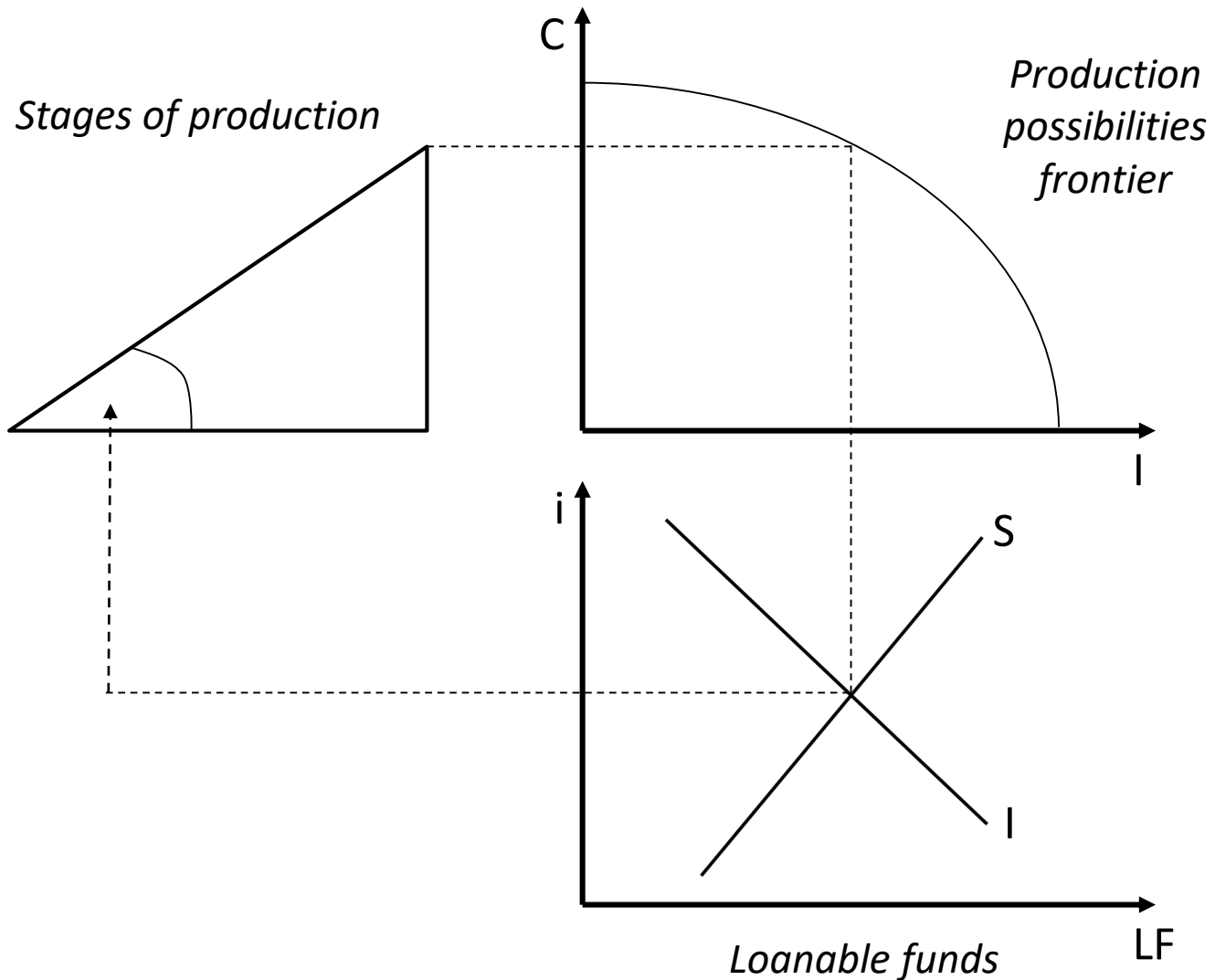
- » Saving up for something: Future demand, not a leakage
- » Derived-demand and discount effect



- Investment: Stage pattern matters (not volume alone)

- ⇒ Entrepreneurial challenge: bringing capital structure in line with pure time preference (intertemporal arbitrage)

Capital-based macroeconomic framework (Garrison)



Agenda

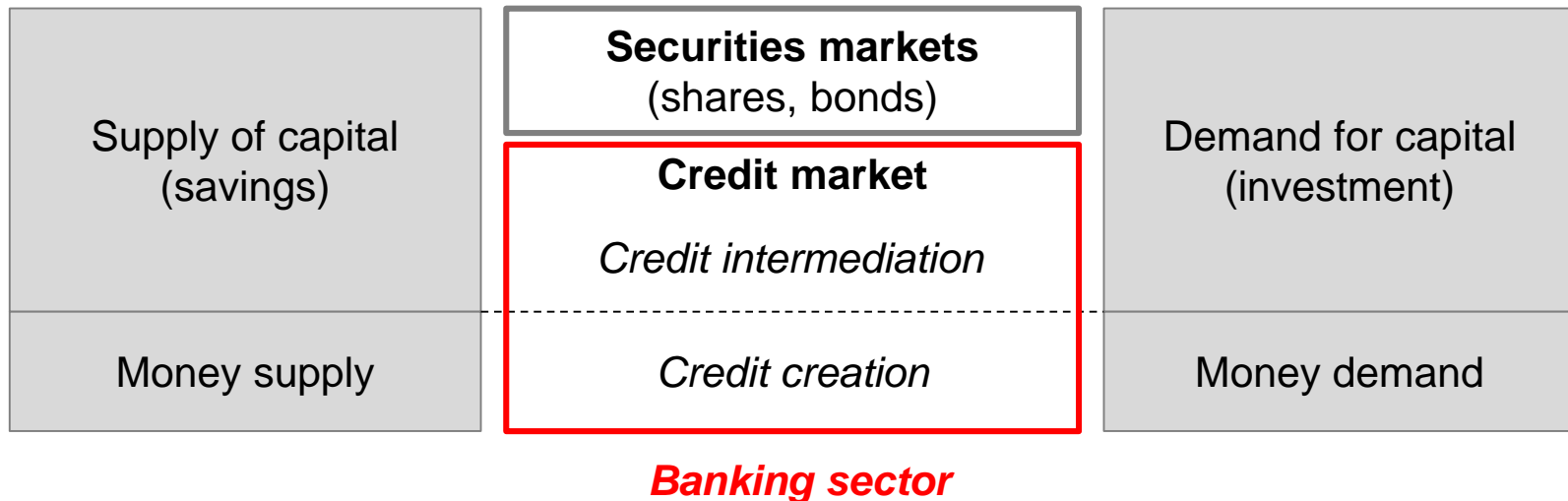
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- Financial crisis
 - » Flipside of capital stock distortion
 - » Systematic investment failures due to excessive credit creation

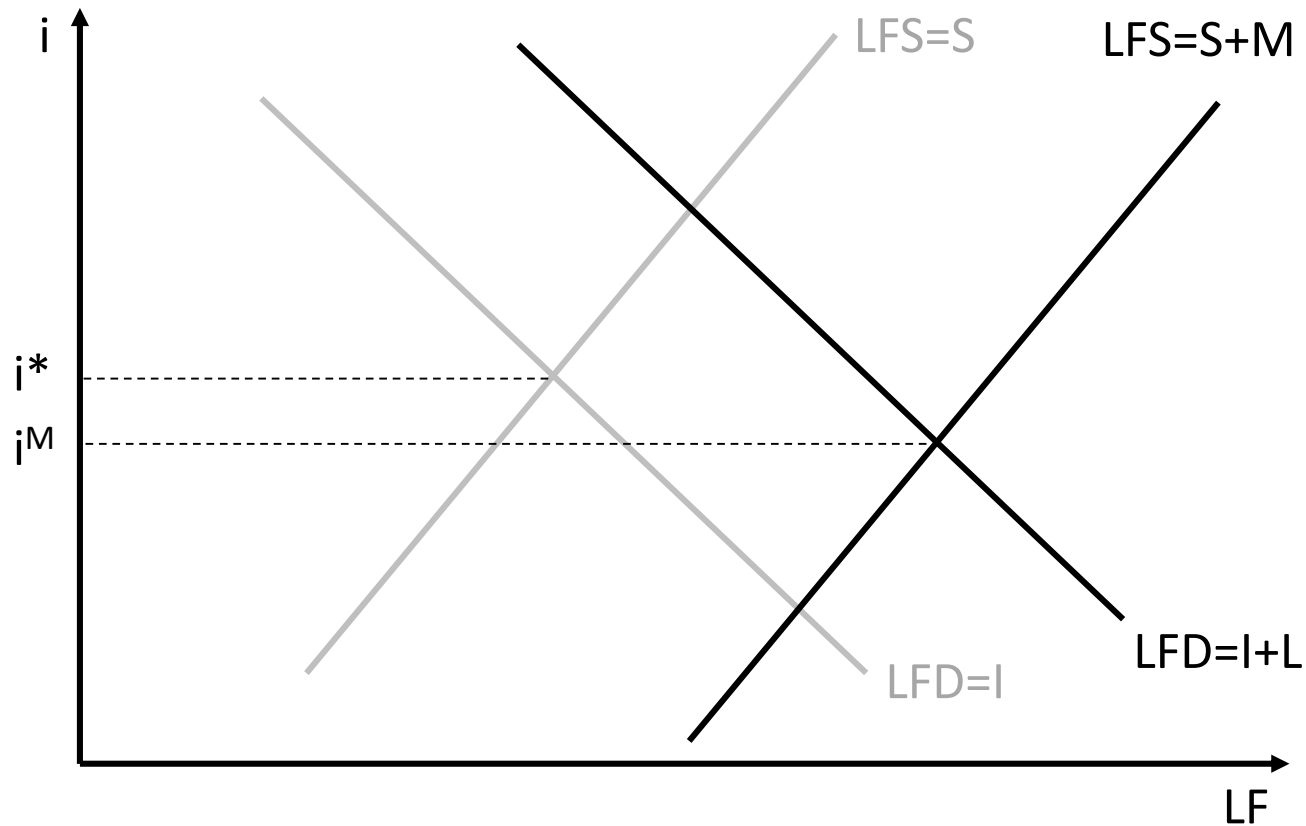
- Non-neutrality of money
 - » Cantillon effects
 - » “Capital gives money time to cause trouble” (Garrison)

- Monetary policy
 - » Interest rate: Key economic variable in the capitalist system manipulated by central banks

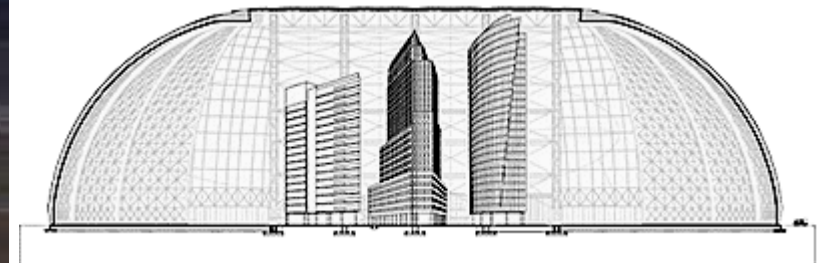
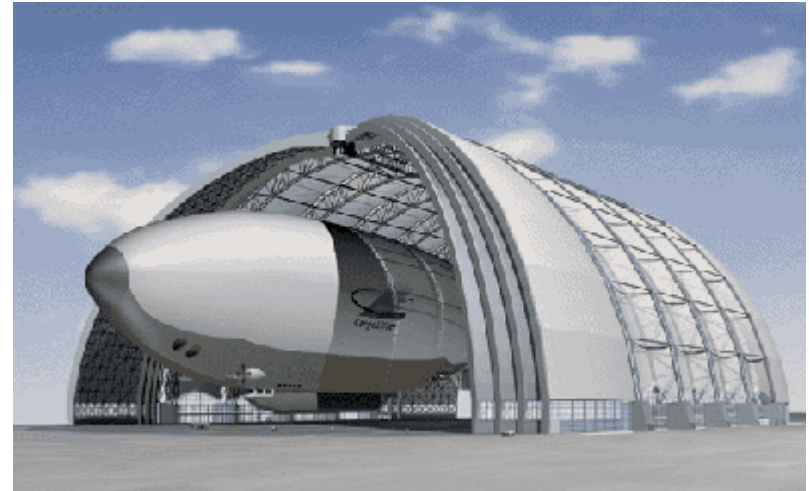
- Credit creation vs. credit intermediation
 - » Forced savings vs. voluntary savings



Interest rate and monetary policy



Cargolifter: The plan ...



... and the outcome: Tropical Islands



Cargolifter hangar ⇒ Tropical Islands hall

Production cost:
78 million euro (1999/2000)

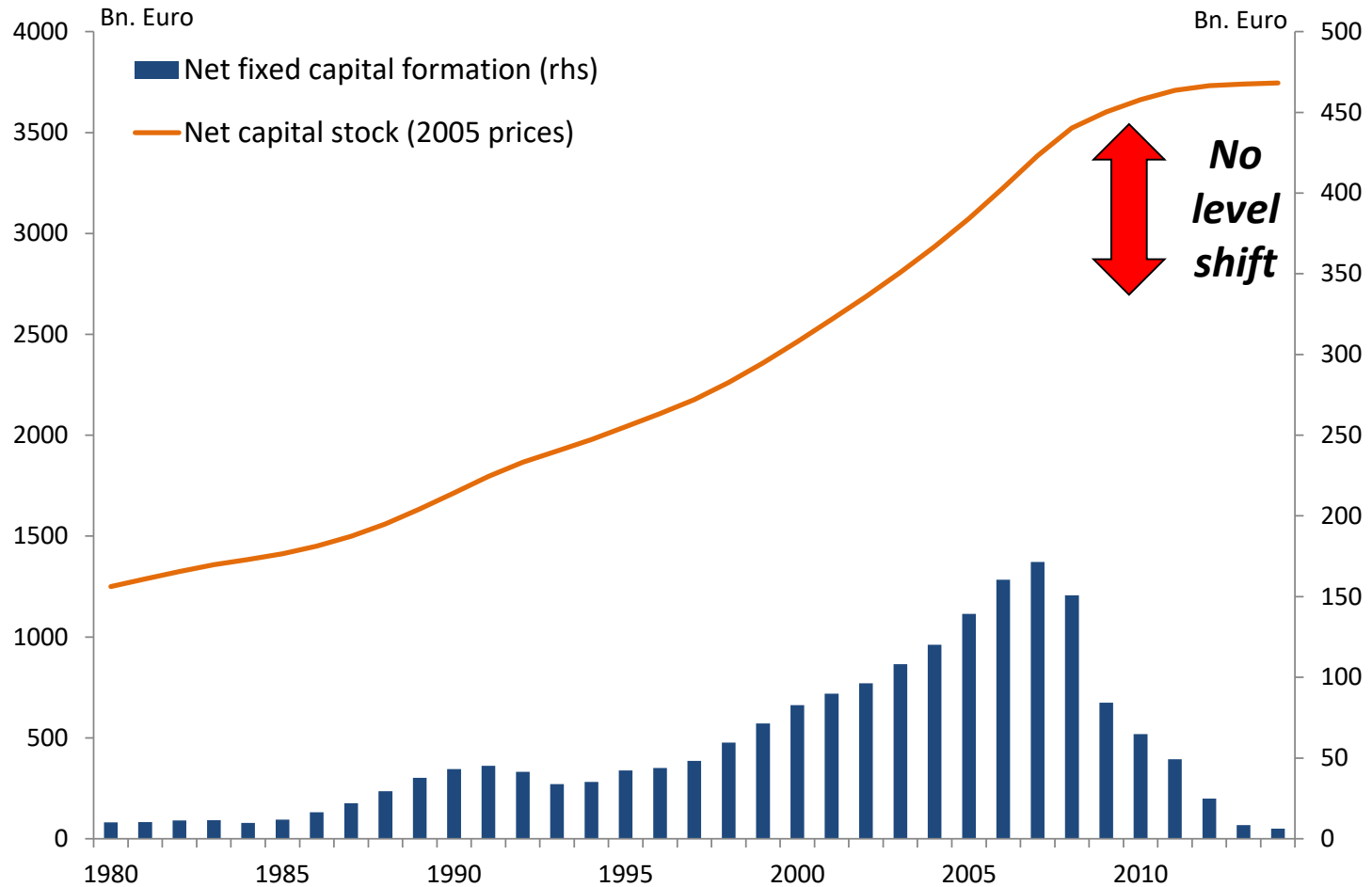


Liquidation value:
17.5 million euro (2003)

Cargolifter in the national accounts

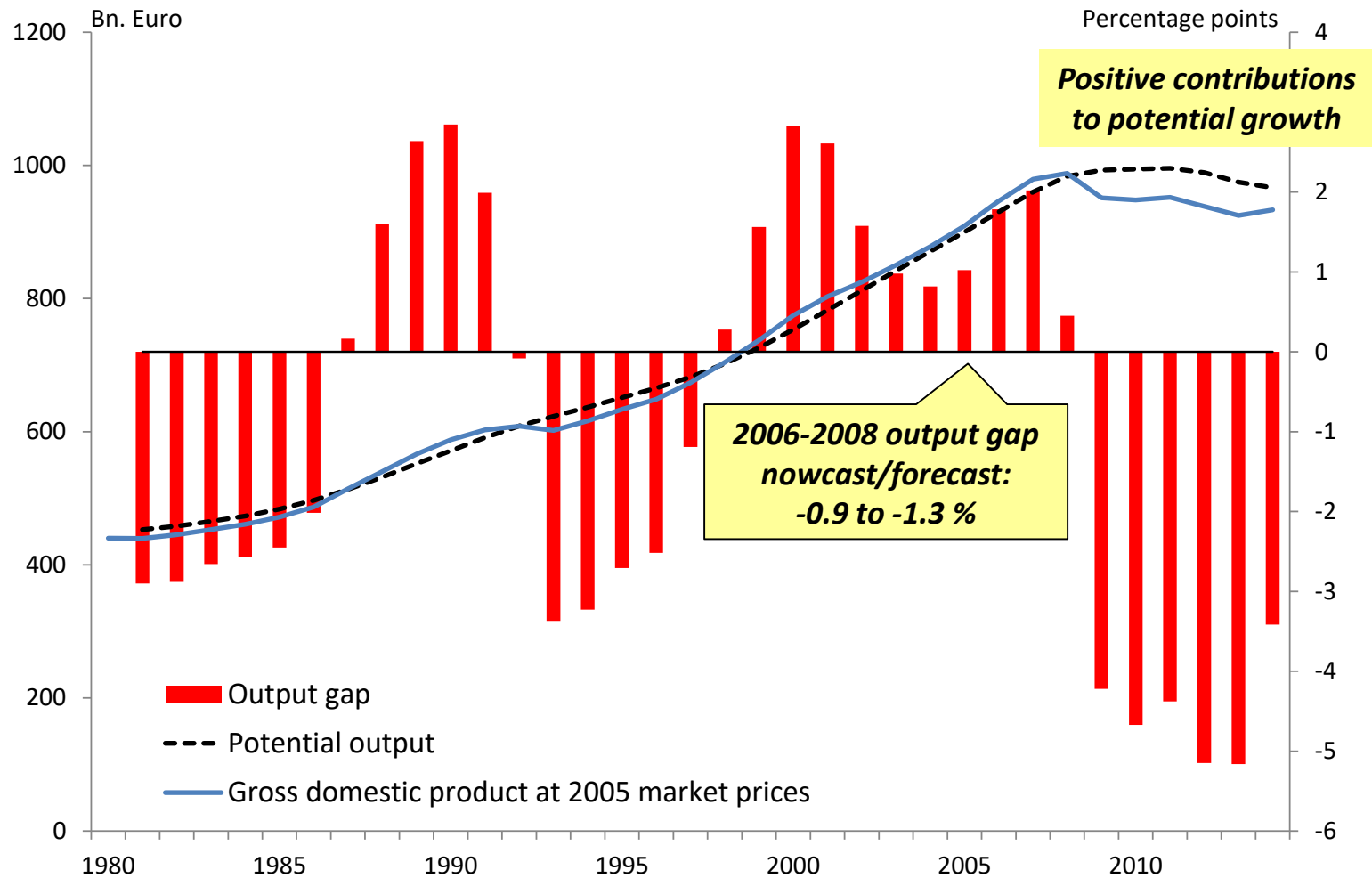
A hangar is a hangar is a hangar ...

Value of the Spanish capital stock?



Source: AMECO Database.

Spain: Invisible “ghost estates”



Source: European Commission, AMECO and CIRCA databases.

- **Idiosyncratic: Cargolifter example**
 - » Wrong expectations of one market participant
 - » Happens every day, no systemic risk
 - » Liquidation, reallocation of resources

- **Pervasive: Expansionary monetary policy**
 - » Systematically wrong expectations of all market participants
 - » Financial crisis (debt crisis = flip-side of heavy capital stock distortion)
 - Liquidation: cold-turkey type recession, reallocation of resources
 - Bail-outs: sluggish activity, incomplete reallocation of resources

■ Public bail-outs

- » Shifts private debt to public sector
- » Private debt crisis \Rightarrow sovereign debt crisis
- » No solution for fiscally distressed countries

■ Inflating the debt away

- » Takes a long time, promotes zombification
- » Puts the currency at risk
- » Not targeted towards non-performing loans

■ Liquidation

- » Tough (cold turkey) in the short-run ...
- » ... but targeted (and root cause oriented)
- » Puts capital at second (now first) best use

**Anti-capitalist
approach**
(harms principle of
accountability,
creates moral
hazard risks)

**Capitalist
approach**
(in line with free
market principles)

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- **Order** (system, pattern, structure)
 - » Indispensable concept for the discussion of all complex phenomena
 - » “A state of affairs in which a multiplicity of elements of various kinds are so related to each other that we may learn from our acquaintance with some spatial or temporal part of the whole to form correct expectations concerning the rest, or at least expectations which have a good chance of proving correct.” (Hayek)
 - ⇒ Allows for more-or-less accurate (macro-) pattern predictions only
- **Taxis**
 - » Made, exogenous, constructed, artificial ⇒ **organization**
- **Cosmos**
 - » Grown, endogenous, unintended ⇒ **spontaneous order**

Society

■ Features

» **Complexity**

Spontaneous orders may achieve any degree of complexity.

» **Abstractness**

Spontaneous orders will often consist of a system of abstract relations between elements that instantiate abstract properties.

» **Purposiveness**

Although the existence of a spontaneous order may serve the individuals enveloped in it, it cannot be said to have an intended purpose.

■ Lessons

» **Hard to understand** (unknown details)

» **Hard to control** (dispersed knowledge)

» **Rule-governed** (explicit and implicit)

Spontaneous (= evolutionary) order

“Social structures of all kinds
were the result of human action,
but not the execution of any human design.”

Adam Ferguson (1782)

■ Atavistic instincts

- » Solidarity, altruism
- » Aggression against outsiders
- ⇒ **Stabilizing small groups (families, tribes, clubs)**

■ Extended order

- » Contracts, exchange, money
- » Trust, reputation
- » Competition
- » Non-aggression, openness, voluntary cooperation
- ⇒ **Enabling anonymous societies**

⇒ **Efficiency** = Use of dispersed knowledge

⇒ **Fairness** = Supremacy of abstract rules

Mercantilistic atavism: „Buy German“



- Constructivist (naive) rationalism
 - » Descartes/Hobbes/Rousseau/Comte
 - » Legal positivism
 - » Scientism, utilitarianism

- Evolutionary (critical) rationalism
 - » Hume/Smith/Kant/Popper
 - » Limited knowledge of complex systems
 - » Human action
 - Means-end-calculus
 - (Implicit) rules (customs and traditions, social conventions, ...)

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- Natural sciences vs. social sciences
- Principle of causality
- Praxeology
 - » Science of human action
 - » Aprioristic (motives for human action cannot be observed)
 - » Deductive approach
- Economics
 - » Division of labor and social cooperation
 - » not „*Volkswirtschaftslehre*“ or „*Nationalökonomik*“
- Theory vs. history

- Potential production/output gap estimations
 - » Disaggregated approaches (marketable production possibilities)
 - » Market revaluations compared to national accounting data

- Capital stock distortions as flipside of financial crisis
 - » Repairing intertemporal coordination problems
 - » New light on “austerity” debate

- The global monetary system
 - » Scenario of globalizing monetary policy (multilateral swap agreements)
 - » Global money and free banking 2.0

- International macroeconomic imbalances
 - » Imbalance \neq disequilibrium
 - » Current account vs. financial account (capital vs. trade flows)

- Global macroeconomic imbalances: The savings glut debate
 - » Negative natural interest rates ahead?
 - » Need for more public debt to fill the global “investment gap”?
- Global business cycle and regional/national impact
 - » Top/down: Economic activity within countries derived from global dynamics
 - » National specialization and impact of capital restructuring
- Global division of labor and international trade:
 - » What about unilateral free trade?
- Social cohesion
 - » Harmony of interest between rich and poor and between capitalists and wage-earners under free markets?

- Peace, economic freedom, and the welfare state
 - » Is interventionism a source of social conflict?

- Profit motive, wealth, and inequality
 - » Is individual success in the free market a cause of anyone's impoverishment?

- Radical reform proposals and pattern prediction
 - » Refuting socialism in the absence of self-declared socialist regimes without apriorism?

- Key research and policy question:
Evidence for hampered market coordination processes?
 - » Coordination efficiency vs. macroeconomic management
 - » Important role of intertemporal coordination (capital and interest)
 - » Path-dependency of economic activity via capital allocation

- Beyond the demand-side vs. supply-side controversy
 - » Coordinationist macroeconomics is not a cheerleader for growth
 - » Intermediary step to linking macroeconomics and well-being
 - Overcoming the production-biased view
(production serves consumption, not vice versa)
 - Putting consumers/households back in the center
 - Value theory remains key pillar
(whether preferences are exogenous or endogenous)

Summing up

Neoclassics/mainstream	vs.	Austrian School
Homo oeconomicus	⇒	Homo agens
„Perfect“ competition	⇒	Competition as a discovery procedure
General (dynamic) equilibrium	⇒	Markets as feedback mechanisms (permanent adjustment process rather than sequence of equilibria)
Positivist social planning (constructivist rationalism)	⇒	Evolutionary institutionalism (civilization as a process)
Natural sciences as benchmark („Scientism“)	⇒	Economics as a social science

Zeit für Q&A

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