



Ludwig von Mises

(* 1881, Lemberg (today: Lviv, Ukraine) - †1973 New York City)

Ludwig Heinrich Edler von Mises was strongly influenced and stimulated by the „Austrian School of Economics“ (Menger, Böhm-Bawerk, etc.) during his studies at the Vienna University. „The Theory of Money and Credit“ became his first major scientific achievement. He showed that the „price“ of money, its purchasing power is determined by demand and supply and therefore argued that banking should be treated as every other industry in a market. As early as 1922 he predicted the breakdown of centrally planned economies in his book „Die Gemeinwirtschaft“ (English Translation: „Socialism“). Socialism could not work efficiently, he maintained, because of its lack of a market price system to calculate profits and losses. Mises also strongly opposed the socialist idea of social egalitarianism. In „Liberalism“ (1927) he outlined free society and market economy as a

counterconcept to the statist ideology widespread among intellectuals and politicians at this time. In the U.S.A., where he lived as a refugee from fascism since 1940 he analysed the growing institutions of the federal government. He criticised in „Bureaucracy“ (1944) the idea of a mixed economy and showed that all regulatory agencies of government tend to grow and do not have any positive impact on growth and welfare. His opus magnum „Human Action“, an expanded translation of „Nationalökonomie“ was published in 1949. Until his death Ludwig von Mises fought against statism and government regulation and for individual liberty and market economy. His disciples include great economists like F. A. Hayek, Israel Kirzner, Gottfried Haberler and Murray Rothbard.

Literature:

All cited books are available in English and in online-editions at the website
www.mises.org

Israel M. Kirzner: Ludwig von Mises: The Man and His Economics. ISI Books 2001.

Links:

www.mises.org

Sascha Tamm