Critique of Bourgeois Science - Microeconomics: From the Explanation of Value to the Invention of Marginal Utility up to the Mathematical Praise of the Market

I. What Experiences common to Everyone could certainly teach: Some Economic Truths concerning Commodities and Money

In the free market economy everything has its price, from bathing water and cinema tickets to hospitalisation. The freedom given to everyone is that, in principle, money gives one access to all the necessities and pleasures that the market has to offer; its limit is, of course, the amount of money that one has at one's disposal. Poor and rich divide according to how much of that substance they possess, which represents wealth par excellence and is used to quantify their wealth even when it exists in the form of all kinds of material goods. As important as the characteristics of a house may be for its inhabitants, a machine for its user, a foodstuff for its consumer, as unimportant this quality becomes when all objects are estimated on what they contribute to the wealth of a private person or an institution. Then their usefulness becomes a self-evident prerequisite of the price they would achieve on the market, if their sale were pending.

1. The Doctrine of Economics: The Indispensability of Money for the Market Economy

This phenomenon, that all goods have their price and that this has its measure in money, is subjected to a peculiar appreciation in economic science. In rare unanimity, the theorists make use of the comparison with barter, in order to discuss money as a way of solving the difficulties in the distribution of social wealth. The confrontation with the "cumbersome" procedure of getting hold of things that one needs or wants to use in direct exchange of goods for goods makes use of the notion of a production based on the division of labour that is dependent on exchange but that does not have its means available at the moment. Instead of a determination of money and price, this notion without further ado aims at a plausible explanation of the advantages that money has for "economic" people - on the condition that everyone is dependent on exchange, he will hardly be able to close himself off from the services of money, the simple message is. "Money simplifies economic activity," announces Samuelson in his bestseller, and all textbook authors imitate him when they cannot imagine "a high-level economy based on the division of labour", "the functioning of the overall socio-economic process", or simply "markets and prices" without money. If, in addition, they adopt the contemporary comparison with an "authoritarian directed economy", which has taken on the "basic economic problem" of "distribution of scarce goods" with another "possibility", they do not notice that the explanatory character of their discussions cannot be too profound if the same problem, in which they want to have observed the reason of money, causes just as well that unsympathetic coercive management of human individuality. Rather, when looking at the certainly not contemplative matter money they officially give expression to their ideological preferences and interpret the choice of one or the other possibility as a consequence of individualistic or collectivist views of man.

When economists get over the trick of talking about markets, prices and barter, purposefully leaving money aside so that they can draw the "conclusion" that without this means some things would be "impossible", the question remains as to how money manages to fulfil its mission as a means of exchange and unit of account. Information of the following kind is then good scientific custom: "Money is used because others use it." "If a good gets endowed in such a way that it finds general acceptance, it is called money." That's not surprising at all: Whoever identifies the services of money with the need to get away from bartering by means of a general means of exchange and to conduct market economy,

is also capable of the psychological continuation of his deduction. The willingness to treat a good as money then clears up everything; and to the well-informed "definition of money", which a German economist of reputation, Erich Preiser, like Samuelson, has mastered - "Money is everything you can pay with" -, the "Great Meyer" can confidently join in: "Money is everything that functions like money." Preiser is aware of the procedure he uses to deliberately avoid explaining money - and notes, in order to instruct his readers, that modern science itself makes an assumption out of the fact that its object exists. The reason: without money there is no market economy - so as before:

> “We simply assumed tacitly that it is there. This assumption is necessary, but (!) it is also sufficient. It is necessary because the market economy of course could not function without a general means of exchange.” (Like all other Preiser quotes, taken from "Economics today".)

Since such communications only express explicitly what is contained in the logic of (im)possibility - the means of exchange must exist - the experts of economics tend to constantly emphasize the achievements of prices, which are paid with money, in order to indicate besides the sheer presence of their object still another respectable service:

> “In a market economy, prices have the important function of regulating the strength and direction of the flow of goods.” (Stackelberg)

Thus, long before it is developed into a utility or household theory, economics announces that it appreciates the "market mechanism" or the "competition order"; for the well-known law of interaction, according to which the level of prices determines the relationship between supply and demand and conversely this relationship affects prices. In this law science pays the market the compliment, beyond and without a determination of price, that it leads to a distribution of wealth by subjecting the demand for goods to the solvency of its carriers; just as if economic mankind had encountered the problem of regulating its flows of goods and fell for money to distribute the goods equally by means of a price, economic theory allows itself the assumption of an equilibrium price. A hypothetical category of this kind summarizes the idea of interaction in one term and gives less information about the nature of the market than about the interest of an entire scientific discipline in its functioning. On the basis of the idealism which, in the purchase and sale of goods - whose prices can be measured by the money fortunately available - sees the interest at work to transport all elements of material wealth to where they belong, the realism of economics then arises: On the one hand, their representatives devote themselves to household decisions as factors of price formation, whereby they present "consumer behavior" in a faithful continuation of the dogma of the interaction between supply/demand and price once as the determinant of price (or its level), once as a reaction to price levels. On the other hand, they ask themselves the question of the conditions which would need to be met in the economic world in order to ensure the success of the market in accordance with the task assigned to it. And money also becomes such a condition - and this is because it was considered from the outset to be the means responsible for facilitating exchange and nothing else. The question: "What is money?" economists therefore always translate into a completely different one: "How must money be constituted to carry out its services?" - and by the functions of money they always mean those which they have intended for the means of purchase in the market economy. They present themselves realistically in their questions and answers insofar as they point to generally known phenomena of economic life - inflation, crises with unsaleable commodities, price increases, "imbalances" in other words - in which "problems" that seem to contradict their ideals and call into question the fine effects of the price mechanism come to light. Preiser manages to first discuss quite rationally the "condition" for money to be suitable as a means of purchase, namely with reference to the character of money, which makes it a means at all:

> “If it is to be used as a means of payment, especially for the purchase of goods, it must obviously have value itself. Because otherwise no one would be willing to give away a good for money - we have experienced such times.”

Here, for once indeed, the "willingness" to accept money is not confused with the definition of money. And even more: Preiser also knows the notion of measurement, the unity of quality and quantity:

> “But then there's another. The unit of the means of payment is also the indispensable unit of account in which prices are expressed, costs calculated and incomes measured. But the value of economic goods can only be expressed in a measure that itself has the dimension 'value'...”

However, this theorist also does not continue in such a way that he determines the dimension "value", the common measure of commodities and money, according to its quality. As soon as he has established that "money must have value", he remembers that it is also only the practical achievement of money that matters to him, its "purchasing power", which also troubles minds beyond theoretical efforts; therefore, he joins the practical considerations of a money owner, who is heartily indifferent to the "value" of money, but to whom his power to buy goods means everything. Without hesitation, he identifies the success of the purchase with "value":

> “...it is also clear that this value is not attached to money itself, but is derived from the goods that can be bought with money. In other words, money has a derived, a mediate utility.”

And inspired by this "insight", he recalls the times that he has already experienced, in which the purchasing power of money left much to be desired; from which the "conclusion" can be drawn that at that time the relationship between goods and money, for whose success he strives, had got quite confused:

> “Whether one gets anything at all for money and how many goods one can buy depends on the amount of money facing the goods. An increase in the money supply with the quantity of goods remaining the same, we can also say: an increase in monetary demand with the supply remaining the same will increase prices, i.e. lower the value of money. This is the content of the so-called quantity theory, which draws attention to the quantity of money, and which is only another expression for the fact that its relative rarity determines the value of money.”

The condition stated here for money to function as a means of exchange is simply: it must be there in the proper measure! This is a very frank farewell to the stage of monetary theory, which claims to provide information on the concept of money, through which the reason and purpose of this economic means would also be grasped. Because the right measure is just as relative as the definition of the monetary value that quantity theory allows itself - it is only in the functioning not only of the market, but of the entire market economy with its manifold conditions, factors and goals that it becomes clear whether money performs the services for which economics constantly congratulates it:

> “...the creation of money is part of current economic policy. Therefore, the theorist cannot even state what the 'correct measure' is... What is the right measure can therefore only be decided in connection with the overall economic development and all the objectives driven by economic policy, but not within the framework of a monetary theory pursued on its own. We can only say for certain that any deviation from the policy of stable prices is dangerous.”

Thus, economics assumes a price mechanism that functions precisely through price changes and regulates the flow of goods - and casts doubt on this achievement of price if it demands "price stability" from the state in dealing with money. It certifies to money that it circulates the price-determined goods free of all temporal and local barriers, which are complained about in barter, and makes them commensurable - but denies that goods which are commensurable among themselves and with money

have a common measure. That money is a means of circulation this science has noticed; to the question through what it is suitable as such, it gives the answer: by supplying the unit of account for prices and mediating exchange. From the fact that economic entities are confronted with the market, price-determined goods and money, it deduces its determination of money. It is needed for exchange - "so" it makes it possible, and that is its achievement. According to this logic, the reason and purpose of price and money is that they correspond to the necessities of an exchange which is imagined independently of them as a need. And as often as money is awarded this invented advantage as its purpose, the authors of this idea think of one or the other case in which this advantage does not come into force or in which "dangers" and "disadvantages of money" become apparent - sometimes prices and money precisely do not allow exchange, prevent it - so that economists are faced with the decision to understand the negative judgement, which is included in their logic of possibility from the outset, either as an argument against their positive deduction of money or the finding that one or the other purchase will occasionally be left undone for a thing external to money. They choose the second alternative and put the blame on the economic subjects, usually immediately the state, for wrong handling of the means of exchange. The success and failure of the transaction, which according to their theories is a matter of money and prices, is then not a matter of money, but of its handling - and this is decided: through the needs and the relationship that subjects establish between them on the one hand (utility theory and theory of "consumer behavior"), and through the quantitative relationship between money and goods on the other (quantity theory). Thus, contrary to all experience and despite the expression of the opposite, the assertion can still be saved that money and price are clever inventions to satisfy the needs which exchange in a society based on the division of labour serves.

2. On the Utility of Price and the "Purchasing Power of Money"

Economics tells of a homo oeconomicus who appreciates money because it enables exchange. The physical citizen of the economy gets to know money in a completely different way. He is unlikely to notice the "supply of liquidity" in the coins and banknotes issued by the state. No one is given gifts of money to trade because everything has its price - not even the well-known social benefit in the course of the opening of the FRG, the 40 new German marks bounty, could be misunderstood in this respect. It was clear to everyone that from now on it was important to get as much money as possible, i.e. to obtain "purchasing power". How this was not to be done was made quite incidentally clear by the state in the text of the law which it had printed on the banknotes: "Anyone who imitates or counterfeits banknotes... " That is hardly in keeping with the rumour about those notes which ascribes to them the innocence of a welcome means of assistance. If a state uses its power to make money suitable as a means of exchange, then it certainly does not raise individual needs to the purpose of economic life - rather, it subjects their satisfaction to the solvency of their bearers. On the quantity of the publicly supervised substance that one owns, one's activity in the world of pleasures depends - and in this respect, one may add a small correction to the economic wisdom that money enabled cheerful buying on the bazaars of the market economy. This measure of wealth also calls into question the availability of it a little: After all, the means of exchange which has been forcibly put into operation separates all needs from the objects corresponding to them and allows them to come into play only on condition that the price is paid to the person to whom the objects belong. Admittedly, a theorist who is in love with the "law" of supply and demand and who puts much emphasis on the wisdom that says, "If price is high, don't buy", overlooks very confidently the hard law of private property, which is put into effect with price and money.

This law is very familiar to an ordinary mortal who feels the exploitation of his solvency. In his experience, there is no consolation in the fact that a "price mechanism" in a textbook fashion forces the impertinent seller of a commodity to lower the price as soon as demand leaves something to be desired. In any case, the economic doctrine of harmony with its ideal of balancing interactions cannot help him to get over his limited solvency, just as little as advertising with its ever-same message of

cheap commodities: He must ration himself in the purchase of useful goods and services, and he cannot rely on the fact that his forced austerity will come to an end because the suppliers of business articles are fighting over his budget. The fact that there is a contrast between the interests of the seller and those of the buyer is safeguarded precisely by the majority of economic entities, which always use money only as a means of exchange. Even in cases where the buyer is also a businessman and the commodities to be sold are not a means of consumption, no joy about the "equilibrium price" arises. The "result" of supply and demand, the price of the commodities traded, in no way automatically fulfils the economic purpose of those who act as suppliers and buyers. They may not regard the "price mechanism" as a "central control instrument" for the successful distribution of goods, if only because the respective price is intended to guarantee proceeds in excess of costs already spent on the one hand, and is included as a cost in the calculation, which is calculated on the basis of future surpluses on the other. Here the practical question of those involved as to whether they can afford the price that is achieved has nothing to do from the outset with whether the beautiful machines and raw materials also end up where they are needed. Conversely, they are only considered useful if they correspond to the business interest through their price - that is, if they prove to be a means of profitable investment.

As long as the prices of commodities meet this criterion, "the market" is also fine for its beneficiaries and for the theorists who idealize it - and concerns about the dwindling "purchasing power of money" are not raised. Many years of prosperous economic activity come along without complaints from national and economic quarters against the increase in the means of circulation, which is noticeable in the upward movement of prices. Such "merely nominal" increases are registered as a natural consequence of the fact that local and temporal restrictions on solvency by credit are declared insignificant via the banking system operated under state directives; the same applies to the "creation of money", which comes about through the debt of the state: Nobody likes to simply and fundamentally consider the transformation of circulating debt instruments into money and capital as reprehensible. On the contrary: the interested business world approves - like the national economic expert guild - the responsibility of the state for expansion and contraction of credit. The use of sovereign power, which sets and maintains the rules of the "free market economy", naturally also extends to "influencing" the amount of credit available. That the state also covers its financial needs by converting its bonds into business means of banks and private individuals is also something that nobody wants to prevent. The fictitious alternative - "interventions" in the "economy" versus "freedom", from "unhealthy state control" - is a constant hotchpotch in the dispute between the (economic) political camps, but never affects the "elementary" services of power for business. On the contrary, the controversies over the degree of sovereign "interference" compatible with the "economy" and state "misconduct" assume that economic policy - i.e. state action by the Ministry of Economic Affairs, the Ministry of Finance and the Bundesbank, etc. - is constantly taking place and is necessary to support the business.

The complaints about inflation, which is said to have suddenly destroyed a "balance" that does not appear as an end in the calculation of any economic entity, do not deny the right of the authorities, which take extensive care of "money creation" - but the usability of the means they have thrown onto the market. However, this occasion is appreciated in a manner that leaves no doubt about what the dear money fails for. Although the lawyers of the "fight against inflation" like to quote the little man's wallet, they consistently refrain from the obvious call for wage increases. Nobly, they connive over the consummated use of the ever-expanded credit according to state needs; that the inflation they condemn was only caused because the business world made ruthless use of the "liquidity" provided by the state-licensed, offered and controlled credit system is not considered worth mentioning. The practical interest in the market rather puts the warning into the mouth of the disputants against the arch-evil of "inflation" that for the sake of God and the market economy a compensation of the lost purchasing power of "lower incomes" should be omitted. Such a thing, they argue, would be a decisive

obstacle to the use of money that is already inflationary for profitable investments. In their sermons on the "factual law" called "wage-price spiral" they openly anticipate the "reaction" which they are authorized to practice. And this without fear that the theorists of the market economy reproach them for the incredibility of the broadly hypocritical concern about inflation. None of the economic teachers likes to claim that neither state authorities nor banks or entrepreneurs exercise the cyclically conjured up consideration for a constant purchasing power of money, that on the contrary they cause the inflation to which they so gladly refer when in their beloved market economy, the much-vaunted "functions" of price and money turn out differently than their idealistic images.

All the more reason for economics to dwell on a "concept" of inflation that is not at all suitable for giving rise to fears. In any case, the change in the level of prices resulting from an increase in the means of circulation, the sheer increase in the numbers that are on the tangible "purchasing power" that must be paid for a commodity, does not in itself disturb a single act of exchange. Nevertheless, the quantitative theoretical accusation of inflation discovers in the changed "purchasing power" of the unit of measure not the fair correction for the increased number of circulating means of exchange, but a danger. This theory reveals a mismatch between a "mountain of goods" and a quantity of money available for purchasing. The inflation made plausible in terms of quantity theory, that balance between number and unit of the means of exchange, does not take place in this way after all: "Improper" exploitation and uneven enforcement cause a disturbance in the "mechanism" of the "unit of account", which theory postulates and "in practice" misses at the same time.

In this "realism", however, the theorists of the market economy do not want to take the oath of disclosure regarding their "statements of laws" concerning money, but rather emphasize that they are committed to the practical concerns that arise for the relevant actors of the market. In any case, scientists do not break with the ideal of the steering mechanism when they turn to competitive behaviour and find that business-minded entrepreneurs calculate with something other than a "healthy" money supply that guarantees an equally "healthy" price level:

“The insidious thing about price level changes is that they disrupt the market economy steering mechanism itself in an uncontrollable way. Thus, for example, inflation helps areas that are first covered by them to achieve temporary benefits and generate profits that have no steering function. This is because the flood of inflation is always breaking into production periods that have not yet been completed. In this case, the revenues are higher than the costs incurred at the beginning of the production period. Of course, the entrepreneurs register this difference as profits. Only in the following period, when higher costs have to be incurred, do these 'profits' become apparent as fictitious profits. In the meantime, however, the unexpected (?) revenue surpluses may have long since been spent or - as is likely - used up for expansion investments, which turn out to be malinvestments at the latest when the wave of price increases subsides: After all, nothing has changed in the original demand relations. One would have to be blind if one did not see inflation chanting real profits to different people...” (Geigant, The Economy)

That is a cause for concern for a scientist of the 20th century when his highly esteemed steering mechanism is shattered. All the more carefree he reports a discovery that throws a completely different light on the market from which he had created such a coherent picture. Suddenly a measure of economic success appears, which has nothing to do with satisfaction about the successful "exchange of goods" and the wondrous services of money anymore. The fact that purchase and sale have taken place and useful stuff has come into people's possession seems quite naturally a prerequisite and means for certain people to recount their money. At the same time, it is noticeable that they count their money - in other words, do not dream of distributing it among the people so that it can fulfil its function as a convenient means of transporting goods. They even want to keep it, because money constitutes their wealth. If they use it to participate in the market, it is not to get rid of it and to indulge

in consumption until they have nothing more of the noble material. Rather, to earn more of it. And because the general buying and selling of goods of all kinds is exactly the right means for that, the respectable businessmen are not angry at the economists either, if they praise the market with nothing but unfounded arguments, without mentioning anything of private property. They are happy to accept the stories of money as a servant of the commodity world, which allows everyone to work their way buying through the mountain of goods. And from a democratic point of view, it also does quite well if the handling of commodities and money, which most maintain, is also presented as the determining purpose of the market. Once it has been made clear, both scientifically and popularly, how useful money is for the change of hands of goods that "one" needs but does not have; once economic expertise has explained its custody of the great steering mechanism and tables up the problems of its functioning; then the theoretical attorneys of the market economy also remember, quite incidentally, that money is important in a very different way than in their hymns of praise for the means of exchange. In the event of market disruptions and complaints about a lack of purchasing power in one household or another, they always know how to identify a "problem" whose solution has to lie close to the hearts of the world as a condition. The "growth of the economy" must succeed, the monetary success of the business must be right if the ordinary exchange is to work. Of course, economists do not want to understand such wisdom as a denial of the unlimited possibilities that money would have made actual. Their transition from an inverted, because plausibilized in the quantity of goods and money, theory of inflation to a disturbed course of business was not meant as farewell to the ideas with which they complimented the means of exchange. Instead of the truth that with money other purposes enter the world of business than the regular supply of man with good things, they want to proclaim something of instruction that reminds of obligation: If the in itself useful steering mechanism, including the distribution of goods organised by it, depends on the growth of money that is privately disposable and reusable for growth - then it is also in the general and economic interest to promote this type of growth.

What economists do not take from exchange, from the price of goods, from money, they are nevertheless aware of. They cite what matters in their beloved world of supply and demand as a condition and aid - for the smooth turnover of money and goods. They reject the thought that it might be the other way around as often as they say it. It is as if it would appear reprehensible to them to admit what everyone knows: that money is not the slave of the turnover of goods, but the master of the world of commodities, and that the market has to take responsibility for the utility of money.

3. Value – Neither Metaphysics nor Hypothesis

Modern economic theory has prepared a strange guide for itself in its general observations of the market. Its decision to present money as a completely suitable institution takes the task of explaining something from the outset as the task of certifying the functionality of the object of theory. Such a way of thinking pleases itself in the question of what would not work without the thing discussed, considers exchange, as it takes place universally in the market economy, to be impossible without the use of money - and thinks it is already possible to know something with this "demonstration". It even thinks itself very "realistic", as it has been able to refer to a "practical" meaning of money, a plausible "why" that everyone can understand. At least everyone who is as interested in the functioning of exchange as he knows practically that he depends on it. The continuation of this method of pursuing theoretical economy happens very consistently. The whole economy, like exchange with its "pricing", consists of nothing but conditions under which it functions. By this, economists mean "theoretical" (as the saying goes: "only imagined") ratios between economic variables that would have to occur in order to ensure the success of exchange, circulation and growth. The fact that the mathematically constructed models do not correspond to reality is made just as clear as it is insisted that this idealism is on the trail of the practical necessities of the market economy. The dull enterprise of ascribing a "functional" meaning, with its manifold "problems" of theory building, indeed always testifies to the

confession to necessities; such problems exist with every function for someone who confuses the explanation with the confirmation of the desirability of his object. Information about the "why" of the matter, about its necessity and thus about its peculiar purpose, however, does not come about in this way. Such a thing is superfluous from the outset, since minds intent on discovering useful services consider any actual or imaginary utility to be a concept. How economists "deduce" utility as the quintessence of money is explained in the following chapters. What they purposefully ignore when examining exchange and reproach others as a metaphysical hypothesis, however, is worth a few extra remarks. They concern the difference between whitewashing and explanation - here first the question whether money is a harmless unit of account or not rather the object of enrichment.

The idea of attributing the "function" of a helpful unit of account to money, which makes the various goods comparable and chargeable against each other via their prices, is in itself a rather dull matter. After all, it makes use of the necessity of a commensurability without wasting an argument on it. The self-evidence with which it is pleaded for is only a reference to the practical requirements of exchange. And the occasionally appreciated procedure of giving a reason with "division of labour" is intended to make the proportions enforced via money plausible, but is only suitable as an argument for a proper transport and communication system within the framework of a plan. In the actually consummated exchange, where not only a money name makes available the sum, which a good is to obtain in case of its change of hands, but is bought and sold, the idea with the unit of account embarrasses itself again. The seller wants to realize his offer, and he is poorly served with the comforting information that the unit in which he, like others, states the price of his stuff, has already been found and fixed. Rather, this unit must be in sufficient possession of the one who is interested in the use-value of the goods offered. Conversely, unlike an economic theorist, the joy of a buyer is not in the fact that commodity prices measure their level in money; for him, the decisive factor is whether the purchasing power he has in his wallet is sufficient to acquire the goods of his choice.

Marx, like his classical predecessors in political economy, has not overlooked these interests and their opposites practiced in ordinary exchange, in the thousands of purchases and sales that make up "the market". And he has corrected two dogmas of the political-economic tradition.

Since the emergence of the discipline, two considerations have been recurrent in the scientific examination of the "market economy", but always in the guise of clues that value the market as an extremely useful institution and the performance of money as indispensable for a speedy economy. Both considerations - the talk of the "invisible hand" that steers the market, such as the keyword "division of labor" - have also occupied Marx, only slightly differently. He did not accept them as justification arguments.

Marx was not as enthusiastic about the compliment Adam Smith had already offered the market as its author and his emulators. It did not make sense to him at all that an "invisible hand" should direct supply and demand and bring about an overall satisfactory result in the social division of labour without the conscious intervention of those involved. On the one hand, already at that time it was not the best "socially" with the excellent results of the market. On the other hand, he did not like the election of a now truly metaphysical subject purely scientifically. From the to and fro of the market he had been able to see that the subjects of exchange endeavoured to buy as cheaply as possible and to sell as dearly as possible; he had also noticed that they were - with varying success - concentrating on keeping and earning as much money as possible. This seemed neither admirable nor surprising to him, since money is characterized by its direct and universal exchangeability compared to the other objects of exchange. And this excellent quality makes it certainly advisable to meet the compulsion for exchange in a world where everything is private property and has its price, with the need for money. That money does not satisfy a single need except for exchange, was as clear to Marx as to those modern citizens who come up with the meaningful slogan that money cannot be eaten. In return, it ensures access to

every need for those who have it, and that is why it is the object of enrichment. The concentrated materialism of private property is directed at it, because it represents wealth in a ready witted form.

All this, of course, was and is no reason to make the assumption - even if only figuratively - that a rather unknown subject must be at work in the cooperation and competition of exchange, in which making money is success, which reliably regulates the business. Nor is there any reason to conclude that the relationship of mutual use, as it is maintained in exchange, is of all-round utility.

For Marx, in any case, the question of what it is in the wealth of the world of goods, whose production is calculated on money and whose distribution takes place via money, so that in this general form of wealth it is confronted abstractly with its own measure - separate from the specific utility in each case, from the useful objects of needs. He regarded it as quite crucial for economic science to know what is actually measured and according to which rules, when commodity quanta of the most diverse kind are considered equal to each other through the mediation of money. He did not have two problems in the first place. One was invented by modern scientists. It consists in the doubt that an exchange - the replacement of a quantum of useful stuff by a certain quantity of other "goods" - is a practiced equation in which a measure - the unity of quality and quantity - comes into application. The other concerns the name of the matter to be understood. That was already there, although it does not have anything to do with it. The idea of wealth present in a number of monetary units or in the form of useful things and measured in money was called value.

In examining value, Marx could not overlook the observation to which the idea of the quietly acting but otherwise not quite perceptible subject owed itself. The lovers of the market had only noticed that in exchange God and the world, with their advantage in mind, constantly bring about certain exchange ratios and orient themselves to them; but that no instance can be identified which determines the respective valid proportions. In their actions, the subjects of purchase and sale are constantly dependent on the decisions and means of a myriad of other people, but each of them proceeds in his "business" without any regard for the needs and expectations of the others. A market participant knows that he depends on their "purchasing power" and their offers - but how, and with what consequences, modern and independent private individuals, who take great pride in being so free, leave to the market. It is no coincidence that this has become a decisive authority in modern parlance, to which one can and must always leave something.

Where the idealists of the big picture marveled at the functioning of "the economy", Marx first came to the simple conclusion that the independence with which buyers and sellers set to demanding and offering is based on a factual dependence. Factual, in so far as agreements on needs and their objects, let alone the proportions in which they exist or are necessary, do not determine traffic on the market; rather, the exchangers determine whether and to what extent their decision to buy or sell is successful through the confrontation of money and goods. A subject controlling this process is precisely not discernible, although the results of the confrontation are anything but arbitrary determinations of the parties. In the prices of commodities, a social compulsion asserts itself that sets a measure for the economic interests of the exchangers. Through the market they learn about how much wealth they dispose of; the money they get and which gives them access to any object of their needs becomes the content and measure of their success.

In addition to the story of the "invisible hand", Marx has also paid the attention to the argument "division of labour", which is due to it. Unlike his later critics, he did not really see why an explanation of money should culminate in its praise for the fact that it helps to cope with the due distribution in "an" economy that is divided by the division of labour. After all, in what is sometimes called the "money economy", the necessity of obtaining money determines the way in which people engage in a "labour division". Where exchange mediates the distribution of social wealth, where payment does not

manage transport, but does manage a change of ownership, everyone preferably carries the commodities to the market, which mobilise a solvent need. There was no sign of a division of labour that was set up after more or less meticulous consultation and then required money as a calculation aid for regulating distribution, neither in the days of Ricardo and Marx nor today.

Strangely enough, however, modern microeconomics in particular omits its own reference to the connection between the division of labour and the "money economy". For it, the idea of the conspicuous specialisation of the trades, of the resulting "problems", which are thankfully solved by money, is enough. It is not aware of any other necessity that combines the division of labour and money in the "market economy" which it visits; not least because it thinks money and the market away in the division of labour it presents, and then considers labour to be insignificant in the analysis of exchange, even if the market is equipped with nothing else but labour products.

4. Labour and Law of Value

It is not because of Marx's writings, ancient or Hegelian "figures of thought" and the like, if today's economics has so little understanding of the so-called "labour theory of value". The considerations that the critic of capitalism, who is classified as both outdated and harmful, has made with regard to the market are crystal clear; by those who reject them, however, they do not even tend to be reproduced correctly. And this is not the fault of Marx's effort to clarify the peculiarities which wealth exhibits in capitalism, in the determination of the labor product, the commodity.

Firstly, he did not consider it necessary to mention that - if "division of labour" is the great fashion and achievement - the disposal of money can only be secured if one continuously carries saleable goods to market. For the success of market-based dealings cannot be achieved by accidental surpluses through gathering and hunting, which are otherwise concerned with self-sufficiency. An occasional sale of useful finds ultimately has only the result that the quantity of money conquered for it and converted into other goods ends in simple consumption. This raises the question of how participation in the market would be possible again for people concerned with self-sufficiency. Marx preferred to find the correct solution to this "problem" right away and to refrain from Robinsonades. His answer was: If money is already in circulation, production will also be carried out for sale. The beautiful goods were born from the outset for the purpose of acquiring other things that others bring about and offer. They are business articles, use-values for others, which are available with their usability to the needs which can be found in a solvent prospective customer.

Secondly, with the express purpose of producing for exchange, it is also clear that the "goods" mentioned in microeconomics are a rather unworldly invention. They are by no means use-values which offer their manufacturer the alternative of either consuming or using them for himself - or leaving them to others. For him, his own product is essentially non-use-value, a means of acquiring the things whose production constitutes the speciality of other areas of the social division of labour. And whether his commodities perform this service is a question of the price he achieves with them; if there are problems in this area, then so much for the utility of his commodities. But that means nothing else than that the independent producers expose their private productions to a social test on the market. This test concerns exactly the interest that drives the owner of commodities to produce them. He learns from the exchange relationships whether his efforts have paid off - because only the purchase of his commodities decides whether his efforts were also socially necessary labour. This is always the case and to the extent that they are allowed to acquire the products of foreign labour mediated through exchange.

Thirdly, Marx was able to state that when commodities are exchanged for each other, their use-value, the utility they provide to a need, plays only a limited role: Its existence is the condition that others want to acquire a commodity with the results of their labour - whether they actually do it has not yet

been clarified at all with this condition of any purchase. They must first have successfully passed the test for their commodities and see what they can do. Working harder and bringing more usable business items onto the market to attract more purchasing power in the form of money - this is advisable, but does not solve the problem that this test creates: Will the commodities also be needed in the quantity, and will they be paid for - with the proceeds from a production that follows exactly the same calculation and usually even takes place simultaneously with several market participants? It was precisely this practical question and its answer by the market that Marx had in mind when he did not even hypothetically state that even the simple exchange of goods is based on a thorough divorce of value and utility; that the name "value" refers to what is considered wealth in the "market economy" and proves itself as such; and that the corresponding test does not weigh up the utility of the "goods", which must always be measured in terms of the need of bodily people, but rather a usefulness which is completely absorbed in the interchangeability with money. This measure compares commodities among themselves according to the effect their proprietors achieve with them and attributes to them as a characteristic what they bring in exchange. The price they have shows what they are worth. And this value determined on the market, determined by competition, makes the ex post judgement about the effort that the labour-divided producers have made to obtain money, the mediated and general product of their labour. They assume that their part of the labour serves the purpose of creating a product transformed into money, so that they get the material wealth they need and want. However, the subjective measure of their performance is only objectively "confirmed" or "corrected" by the market: Thus their labour is the measure of their share in value, this abstract form of wealth that is separate from the usability of commodities, but only to the extent that it proves its social necessity in the interchangeability of its products.

Fourthly, this explanation of fairly well-known market phenomena, which is comprehensible to every newspaper reader (the fact that not only in crises but already in the ordinary competition a lot of use-values are sacrificed to the criterion of value, that thereby some working hours are ranked as a waste of time is a fact with which modern citizens are made just as familiar as with the demand for labour, which is the recipe due for the internal and external competition of the nation, for the upswing as for the recession, because of the order situation and for the "prosperity"), includes a determination of labour, which is important in capitalism with its obligatory quotation marks. It is not a measure of value because of the special processes employed to make a product from all sorts of natural materials with all sorts of auxiliaries which, because of its properties, serves well for consumption or production. This concrete activity is again only the precondition for the products to become interesting for exchange. What is measured when the objective measure of values, money, is used, is labour par excellence; independent of its more or less complicated procedures, of the tools and techniques of the producers. Marx in turn "derived" abstract labour from the equation of labour products in exchange, which earned him much incomprehension. Yet even the truth about the measure, which records quantitative differences of qualitative equals, is not necessary to understand what banality Marx had in mind: Where the genuine purpose of labour is money, it is neither the preference for an activity nor the traditional roots in a trade that matter; change in production, in the industry - or, to put it in terms of workers: conversion, mobility - is the most self-evident "production decision" for any enlightened connoisseur of the market; when it comes to determining which labour is profitable, each is as good as the other or one is possibly nothing at all despite the useful fruits it may bring. In the case of labours that are suitable for the production of value, it is important that they take place as extensively as possible. When the interest in the exchange of labour products, commodities, is directed towards exchanging as many foreign products as possible for one's own, the proportions in which the commodities are finally exchanged compare the socially necessary labours according to the only difference that they are capable of as being abstract - according to time. And that Marx came along with the argument, familiar only to scientists today, that time is the "measure of movement", one may

forgive him confidently. Firstly, it is true, and secondly, even the economic expertise of today considers the conscientious allocation and organisation of labour time to be the most important thing.

In the interest of the greatest possible number of commodities for sale, the absolute labour time is decisive for the success on which the production for exchange is aimed. At the same time, it is important to the commodity producers to reduce the relative labour time; whether they have spent, exceeded or undercut the socially necessary labour time per unit becomes apparent in a price comparison of competing offers that are confronted with a quantitatively defined solvent need. The necessity to prove oneself with one's products as beneficiary of the social division of labour therefore includes a tangible contradiction in dealing with the "source of money labour": The value of a commodity increases with the labour time expended on it, but only to the extent that it is socially necessary. In an effort to meet this condition of acquisition, productivity increase, which lowers the value of commodities, is the means in competition to increase the appropriated value - or a compulsion experienced by commodity producers at the constraints of the market.

It is perhaps not pointless to let the statements of "objective value theory" referenced here have their say in the original; for what Marx is criticized for has little to do with his claims about commodities, value, price, money and labour:

> "Today the product satisfies a social need. Tomorrow it may perhaps be expelled partly or completely from its place by a similar product. Moreover, although our weaver's labour may be a recognized branch of the social division of labour, yet that fact is by no means sufficient to guarantee the utility of his 20 yards of linen. If the society's need for linen – and such a need has a limit like every other need – has already been satisfied by the products of rival weavers, our friend's product is superfluous, redundant and consequently useless. Although people do not look a gift-horse in the mouth, our friend does not frequent the market to make presents of his products. Let us assume, however, that the use-value of his product does maintain itself, and that the commodity therefore attracts money. Now we have to ask: how much money? No doubt the answer is already anticipated in the price of the commodity, which is the exponent of the magnitude of its value. We leave out of consideration here any possible subjective errors in calculation by the owner of the commodity, which will immediately be corrected objectively in the market. We suppose him to have spent on his product only the average socially necessary quantity of labour-time. The price of the commodity, therefore, is merely the money-name of the quantity of social labour objectified in it. But now the old-established conditions of production in weaving are thrown into the melting-pot, without the permission of, and behind the back of, our weaver. What was yesterday undoubtedly labour-time socially necessary to the production of a yard of linen ceases to be so today, a fact which the owner of the money is only too eager to prove from the prices quoted by our friend's competitors. Unluckily for the weaver, people of his kind are in plentiful supply. Let us suppose, finally, that every piece of linen on the market contains nothing but socially necessary labour-time. In spite of this, all these pieces taken as a whole may contain superfluously expended labour-time. If the market cannot stomach the whole quantity at the normal price of 2 shillings a yard, this proves that too great a portion of the total social labour-time has been expended in the form of weaving. The effect is the same as if each individual weaver had expended more labour-time on his particular product than was socially necessary. " (Capital Volume I, Chapter 3, Section 2a)

What the "objective" value doctrine of Marx does not represent is already easy to infer from this section.

First of all, the political economist Marx has not allowed himself to praise labour, especially not with the argument that labour is the "only" source of value. That his statements about value, its creation and its growth were misunderstood to the effect that he wanted to pay a compliment to the working people and their toil, he unfortunately had to experience with his admirers himself. In his "Critique of the Gotha Program" of 1875, he had no other option than a harsh rejection of his false friends. The comrades immediately took "value" as "wealth" including "culture", thus, despite extensive use of words such as "social" and "historical", they refrained from recognizing the peculiarity of wealth, which presents itself as value - and celebrated labour(ers) statesmanlike. Thus the political economist from the department "labour theory of value" had to clarify several things at once. On the one hand, that nature plays a bit of a "source" for the wealth, and on the other hand, that the idolatry of the labour effort is more in the hands of its beneficiaries than of those who stage themselves as partisans of the workers. Today he would also have to teach ecologists what it means when value as valid wealth has become the maxim of production and business. Maybe he would have quoted himself – "Capitalist production, therefore, only develops the techniques and the degree of combination of the social process of production by simultaneously undermining the original sources of all wealth – the soil and the worker." (Capital Volume I, Chapter 15, Section 10), - maybe he would have just said that it is wrong to make nature an ideal value just because the effect of real value makes it useless for many things.

So Marx did not contradict himself by being an opponent of a way of production that is about value and nothing else, and then worshipping its source, because it is "its only one". Conversely, it has not remained hidden from him that labour does no good to those who do it for the purpose of creating and increasing value. But it was precisely the misunderstanding of his epigones, or contemporaries with a great sense for justice, that the apologists of the best of all societies then attacked. In the certain assumption that criticism of a world where money "reigns" is always based on an enthusiasm for the "value of labour", which does not exist at all, they set about denying labour the sole authorship of the wealth they favor. And lo and behold - people who think value to be huge and malicious fake news have advanced to "factors" that are at least as much responsible for what we love as labour is. As if Marx had not expressed himself adequately in terms of the natural and social conditions "labour" has and must fulfil, old and new smart alecks, all of them filled with affection for the "unit of account" money and the "market mechanism", have come across sources of value: Technology, science, innovation, progress, above all capital and real estate, but also abstention and time have been included in the circle of value-creating substances. And all this only to show that the "market economy" is based not only on labour but also on completely different things! As if Marx had never told anything about abstract, socially necessary and private labour, generations of economists now deny something that "objective value theory" has never claimed, because it is not "subjective": that the effort of an individual determines value, so that commodity prices would result from the daily effort of a worker. Such scholars lecture on Marx according to the criteria of their intentions, accuse him of the most weary "paradoxes" by using the obvious difference of utility and value against the theorist who insisted on their opposition, and bring themselves into play as the scientifically problem-conscious alternative:

> "Some classics, especially David Ricardo, but also his intellectual legacy Karl Marx, claim that the value of a good is wholly or predominantly determined by human labour, because all factors of production go back to labour and can be expressed by it (?). At least these classics saw that the market price does not correspond to the labour value in many cases. They therefore used supplementary interpretations for value formation. Besides "arbitrarily reproducible" there would be "rare" or "unique" goods. In addition (?) a good would have to have a use-value (utility) if it were to have an exchange value (price) on the market. However, not all phenomena could be explained by such constructions (ad hoc statements), especially not the great divergences between use and exchange value. How is it that goods of high use-value, such as bread and water, have a relatively low exchange value? Why, on the other hand,

> do diamonds have a high exchange value but low use-value? Between both values there is an antinomy (paradox of value), which could not be sufficiently clarified by the representatives of the labour theory of value. In this respect, the marginal utility analysis is a useful tool for brightening up the paradox... " (Woll, General Economics, Munich 1981, p. 126)

There is nothing true about the representation of the views of Ricardo and Marx. But that doesn't matter. The moral defenders of a market that always helps maximize a very limited marginal utility suspect a moral attack in the "labour theory of value". They consider the discovery that a certain kind of wealth is based on a very peculiar kind of labour to be the beginning of a dispute about who deserves praise, honour and prize according to the costs-by-cause principle. Scientifically, they are completely wrong, because Marx wanted to explain value as it takes place in the equation of commodities and money. Nevertheless, a certain sense of reality cannot be denied in their anti-critical theory. Despite all his lack of a sense of justice, Marx has claimed a discovery with his "labour theory of value". Value and its explanation showed him that money defines a relation of production that is no good. For most people.

5. Of the Relation of Production on which Value is based

Although the market creates the "inclination to money", it does too little to satisfy the need for abstract wealth as a simple exchange in which everyone tries to realize his labour products. The fruits of one's own labour are simply unsuitable for enrichment, which has as its object the general equivalent. The money acquired through their sale is first of all only means of circulation, i.e. it is spent again for the purchase of the required goods, which populate the market as foreign products and foreign property. Its multiplication is only possible through more labour and/or reduced consumption. And these two procedures are clearly at odds with their purpose: The increase in one's own efforts and abstention of all things present themselves as the path to wealth! By saving, the "household", as it is called in microeconomics, seeks to acquire abstract wealth, but precisely without using it to help itself in the world of commodities. And an increased labour performance does not open up the realm of freedom, which should ultimately come about with the disposal of as much money as possible. Quite apart from the fact that solvent demand always makes its weighty judgement about the effort to sell more products. After all, unsaleability or falling prices remind us that the socially necessary labour time makes up value; Increased productivity of labour, which allows "inexpensive" and in this way superior products compared to the competition to be manufactured, is based on the purchase of means of labour, so that the good simple commodity producer struggles with his property in order to maintain himself - but is far from comfortably disposing of money…

Such alternatives and their failure are not only theoretical constructions. They take place and the calculation never works out because they have nothing to do with the real purposes of the market. There is no such thing as a "market economy", in which exchange is worth the trouble. It is precisely in this kind of economy, which makes labour the sole source of the wealth which it accumulates in the form of value - with money as its general representative - that there are by no means only identical, free and secret owners of commodities and money who alternately buy and sell what they have created and call their property. All the measures and "practical constraints" defined by the law of value are in force, but only because labour and property are thoroughly separated.

In substance, it is completely irrelevant whether this separation is presented as a logical consequence of the explanation of value - as with Marx - or whether one theoretically accounts for how the increase of wealth takes place in a society in which even its most ardent supporters identify "socially weak people" in the shadow of corporate balance sheets, the latter being seen as the success criterion of economic development. In any case, there is no need for a flaming confession to Marx's "labour theory of value" to state that

- the market includes a large number of extras working to get money;
- these people are obliged and willing to produce something saleable, but do not dispose of the means of production themselves;
- so that they sell their services for a fee to others who, as proprietors of a business, also call the products their own;
- the sale of which secures or is intended to secure an increase in their wealth;
- which makes the "non-independent" workers reliant on the business success of their users for their livelihoods
- and get to feel the contradictory determinations of the law of value: Extending of labour time, intensification of labour, changing productivity through new means of labour - and above all making their services superfluous, because they are not suitable for any socially necessary labour...

Strangely enough, not only practitioners of the "market economy" but also their scientific interpreters at the universities not only perceive these circumstances, but also take sides for them without further ado. They generously renounce the explanation of their necessity by declaring them to be a necessity. That labour must be profitable, that this profitability appears in the balance sheets of a company and is not to be confused with the usability of the products is loosely proclaimed as a "practical constraint"; what follows from this for wages and performance is a matter of course to them as lawyers of the "economy", and they discuss the inevitable consequences in matters of poverty, health, environment, etc. as "problems". Their mature ideas become entirely social in the face of unemployment. Via this misery of their contemporaries, who depend on wage labor but are not needed for lack of profitability, they become aware of the misery of the welfare state funds on the one hand, and the virtue of those they call "employers" on the other. From the dependence on property they only deduce obligations for "employees" and "unemployed" towards the iron measures of the "economy", whereby they provide its only " argument " - money - completely (un)impudently with the dignity of a quasi-technical requirement.

Where such conceptless partisanship passes as science, the theoretical conclusions Marx presents from the analysis of commodity and money appear rather dull. However, the good man meant to criticize political economy into the ground when he made the following considerations:

- If the purpose of exchange, as well as the production that supplies the market, is value; if the concrete wealth and its production, use-value and its consumption are subordinate to the realisation of value, then money also commands labour.
- The circulation of commodities-money-commodities, which simply ends in consumption, testifies in two respects that it is not about providing necessities of life. First, the indifference of the labours and products towards the needs of the individual is an indication that a "market economy" has made nature subservient in all possible forms, i.e. has emancipated itself from natural necessities in the sense of "mere provision", of survival; on the other hand, payment is a condition and a barrier to consumption. And yet this exchange of commodities mediated by money does not offer a means of enriching oneself with the money that makes all the abundance available.
- The ideal of the market has its banal reality in the circulation of money-commodities-money, through which money owners make the market subservient by spending it in such a way that it multiplies. One thing, of course, is indispensable for this: they must buy the source of value itself, so that labour creates value, but not for the one who does it. Then the one who has enough money to buy means of production and labour-power comes to a growing fortune. According to this, Marx baptized his book "Capital", which logically also describes how the separation of labour and property came about. Only so much can be revealed here - the

production of surplus value really has nothing to do with microeconomics - that the need to serve foreign property for lack of own means of production for a wage has not arisen from wastage. Just as little as capital is a fruit of abstention.

That the market is a means of capital, that money defines a relation of production that somehow gives rise to all those things which "socially critical" thinking, both right and wrong, complains about, modern economics teachers do not want to discover, although they are vehemently in favour of it. As long as they concern themselves with commodities and money, before they enter the "production theory" and devote themselves to "factor analysis", they do everything to praise price as the most exemplary of all means of distribution. Their doctrines about value do not become very objective by this, but their rejection of Marx becomes all the more subjective.

II. The Genesis of Modern Economics: The Doctrine of Subjective Value

1. The Political Need for a New Economic Science

"With the new theory based on marginal utility, the doctrinal building of economics was put on new foundations and the subjectivist theory of value was founded. The school of marginal utility has replaced the value and price theory of classical economics, which until then had almost dominated the field alone, and has relegated the works from A. Smith to J. St. Mill and K. Marx to the older departments of the libraries. Only the convinced Marxists did not participate in this development. " (Häuser, VWL-Funkkolleg, p. 152)

Provenly independently of each other, Stanley Jevons in England, Carl Menger in Vienna and Leon Walras in French-speaking Switzerland made this fundamental change in a short period of time starting around 1870, reinventing principles of a teaching that a then completely forgotten Heinrich Gossen had drawn up 30 years earlier, ignored by the scientific community.[1] In 1840 the need for a "subjectivist value doctrine" seems to have been small, in 1870 it was so urgent that every economist could and had to create it for himself, so to speak.

The nature of this need is not only no mystery to today's economics teacher: If Häuser knows today that the question of Marxism is decided by this conversion and the willingness to do so, the first advocates of the school of marginal utility, some of whom had not even taken note of Marx' economic writings, had opposed English classical economics, whose analysis of commodities and price, capital, interest and ground rent had led to criticism of the market economy not only by Marx. Especially theorists, who by no means saw themselves as critics, had provided arguments of criticism of the capitalist mode of production with an unbiased investigation, which were actually used by their students with critical intent.

All classical attempts to explain what the "wealth of nations" (Adam Smith's subject and book title), which is measured in money, consists of and how it functions, dealt with the peculiarity of the goods produced as commodities determined for exchange, i.e. to create in a certain proportion the disposal of other commodities and services. This "ability" of the commodity, the purchasing power placed in it, was unanimously explained by the labour expended in commodity production, which as a common

[1] Quoting from:
Stanley W. Jevons, The Theory of Political Economy, (1871), Jena 1924;
Carl Menger, Principles of Economics (1871), Vienna/Leipzig, 2nd Edition 1923;
M. E. L. Walras, Elements d'economie pure (1874) as well as
H. H. Gossen, The Development of the Laws of Human Intercourse and the Consequent Rules of Human Action (1854) according to Werner Hoffmann, Doctrine of Value and Price, Socialeconomic Study Texts Volume 1, Berlin 1964

quality makes the different and thus non-comparable consumer goods commensurable and in certain quantitative proportions equal to each other.

What remained quite unnoticed at first was what this insight contained: a wealth that has its measure in the labour expenditure grows only in the degree of effort that was spent on producing; it precisely does not consist in the ease with which working humanity obtains the necessities and pleasures of life, but requires exactly the opposite; it is that society that is the richest, where as many people as possible work continuously - at the most modern level of production, of course. At the same time, increasing the productive force of labour on a social scale makes neither the working day easier nor the working people richer; because where the use of labour becomes superfluous, the value of the commodities produced decreases; their producer has - on average - won nothing. Thus the absurd law applies that man, whose labour effort is embodied in the created product, does not become richer if he achieves more in less time; at best he is temporarily better off in competition with his peers. He is not the beneficiary of his productivity; he makes himself the servant of the value that exists in the commodity and is absorbed therein.

However, this criticism of capitalist wealth only became clear to Marx.[2] To the classics of political economy, commodity value and money appeared to be a form of social wealth that was as natural as it was harmless; for precisely this reason, however, they could not avoid a "problem" that they did not completely evade: If value consists entirely of expended labour, where does entrepreneurial profit, interest and ground rent, which are also paid from the commodity value, come from, as well as the wage? Is it possible that the worker is being scammed from of the full profit of his labour there? This problem made a lot of sense to the socialists. They saw themselves scientifically confirmed in their suspicion that the working class was being treated unfairly and did not receive the appropriate remuneration for its performance. This was not an objection to a social wealth that consists and counts in objectified labour; they wanted to have a civil-moral fight over its distribution. That is why they did not take the insight from Marx' value doctrine that labour, if it is the substance of the measure of wealth, is then a means to be exploited by a foreign wealth, but they read the law in reverse and announced programmatically - the SPD for example in the Gotha programme of May 1875 - with some pride: "Only labour creates value!" or "Labour creates all value!"

In "Capital" Marx has explained to what extent objectified labour and wages are two different things and how and with what necessity the limitation of the worker faces a growing wealth distributed among entrepreneurs, lenders and landlords. His criticism of capitalism is therefore somewhat more radical than the call for a "fair wage for a fair day's work". Capitalism did not occur to him as fraud; that is why he did not - as the socialists, who seem to have taken up the claim to the full commodity value in political practice - consider the fight against and state containment of capitalist fraud to be the correct response of those affected to capitalist relations of production. But this difference didn't interest the scientific and political opponents of the entire socialist "swamp" as much as it does today.

In any case, in their "refutations" the innovators of economics felt no need to distinguish anything or even to distinguish Marx and the classics he criticized. They already thought it was completely intolerable that the scientific explanation of commodity value should already mean a theoretical questioning of all important institutions of their splendid mode of production and could justify doubts

[2] Marx himself considered this his "most important discovery": "For real wealth is the developed productive power of all individuals. The measure of wealth is then not any longer, in any way, labour time, but rather disposable time. Labour time as the measure of value posits wealth itself as founded on poverty, and disposable time as existing in and because of the antithesis to surplus labour time; or, the positing of an individual's entire time as labour time, and his degradation therefore to mere worker, subsumption under labour." (Marx, Grundrisse - Foundations of the Critique of Political Economy (Rough Draft), Notebook VII – The Chapter on Capital)

about the legitimacy of bourgeois wealth. The identity of explanation and criticism did not let them rest as responsible producers of understanding. There had to be a view of the economy that did not immediately lead to criticism.

The methodical postulate of the new theory was the separation of criticism and theory. Theory should "understand" its object on the basis of basic principles, i.e. present it as "reasonable" in principle; criticism was the assertion of a position which had nothing to do with explanation, i.e. which could only owe its existence to a prior and inappropriate partisanship. Where they notice criticism as a consequence of a theory, the innovators simply denounce theory as a product of a willingness to criticize:

> "Smith and Ricardo, the great authorities, as was then at least believed, had taught the same doctrine…" (the "favourite philosophical thought of labour as the true source of value") "and as an ardent socialist he" (Marx) "willingly believed in them. It is not surprising that he did not take a more sceptical attitude with regard to a view which was so well adapted to support his economic theory of the world than did Ricardo, to whom it must have gone sorely against the grain." (Böhm-Bawerk)[3]

Clear case: If the theory of "labour as the true source of value" was "suitable" to support socialist "worldviews", then people who do not like socialism must look at the matter the other way around! Even 20 years before Böhm-Bawerk, Jevons, who did not know Marx, knew how to justify his work with a commission: Only

> "when, casting ourselves free from the Wage-Fund Theory, The Cost of Production doctrine of Value, the Natural Rate of Wages, and other misleading or false Ricardian doctrines…", we will "arrive at a true doctrine of wages" (Jevons).

- a wage theory that finally knows no difference between wages and profits anymore.

The accusation of previous partisanship, which Böhm-Bawerk so gladly distributes, he himself does not seem to fear: He openly argues against a theory because of the politically undesirable consequences. Since then, the school of marginal utility has explicitly understood itself as a weapon against Marxism; since then, attempts to explain the commodity value have also been considered socialism in economics and justify incompatibility decisions.

2. The Attack on the Labour Theory of Value

The rejection of an entire finished science for anti-critical intent presented itself with good reason as a problematization of the classical explanation of the commodity value: Here, the fundamental attack on doubts about the integrity and philanthropy of the capitalist "market economy" was to be led. For the renewers of political economy, this was, of course, an imperative of pure critical research spirit - even if they give a clear insight into what actually annoyed them when they were annoyed by the doctrine of price:

> "It was mainly the inadequacy of the prevailing price theory and the closely related theories of wages, ground rent and interest on capital that challenged reform efforts in the field of economic theory. The explanation of the price phenomena by the theory that the quantities of labour expended on the goods respectively (!) their production costs regulate the exchange ratio of the goods had to prove to be contrary to experience and incomplete in the face of more serious criticism. There are a large number of things which, despite the labour expended on them respectively the high production costs which they have caused, only achieve low,

[3] Eugen von Böhm-Bawerk, Karl Marx and the Close of His System, 1896; in: Eberle, Aspects of Marxist Theory 1, Frankfurt 1973, p. 91

> possibly no prices, while conversely high prices are often obtained for goods which nature offers us without cost." (Menger)

a)

"Contrary to experience and incomplete": This is the "factual" objection of the founders of modern economics against the classic explanation of prices. Triumphantly they discover a lot of deviations from the price catalogue, which in their opinion should follow from the "labour theory of value". And they do not even notice how embarrassingly this argument contradicts their intention of proof.

Their love is firstly for prices that result from exceptional situations and their business exploitation:

> "Bread has the almost infinite utility of maintaining life, and when it becomes a question of life or death, a small quantity of food exceeds in value all other things. But when we enjoy our ordinary supplies of food, a loaf of bread has little value…" (Jevons)

It is precisely this explanation which an economic theory would have to deal with; and with examples that are expressly outside economic normality, little can be found out about it. The fact that in Shakespeare someone wants to give an entire kingdom for a horse is not only due to poetic freedom, but above all because the good man was not on a horse market. The same applies to the second favourite of the old microeconomic polemic: Products that are not produced for the market, not from an economic point of view, not reproducible in any quantity, and attain their price on enthusiast forums:

> "The mere fact that there are many things, such as rare ancient books, coins, antiquities, etc., which have high values, and which are absolutely incapable of production now, disperses the notion that value depends on labour. Even those things which are producible in any quantity by labour seldom exchange exactly (!!) at the corresponding values." (Jevons)

Hint number three - "seldom exactly" - almost equals the admission that the derivation of the prices from the labour expended on the product actually does justice to the empiricism of the critic, which is polemically brought into play: "mostly pretty much" is, among empiricists, already quite a lot! And what, fourthly, is put forward as the reason for very numerous, serious and above all necessary "deviations" merely illustrates the moral aphorism that things usually turn out differently from what man thinks, and polemicizes against a position that really no classic of political economy has ever defended, namely against the invented view that chance would have lost its right in speculation and in the spheres of competitive vulture of all things:

> "Value and effort are not ideas so intimately connected that one is forced immediately to adopt the view that effort is the basis of value. That I have toiled over a thing is one fact, that the thing is worth the toil is another and a different fact… It is proved by all the labour which is daily wasted on valueless results, owing either to want of technical skill, or to bad speculation, or to simple misfortune." (Böhm-Bawerk)

If errors and misfortune do not allow the equivalence of "effort" and "value" to come about, then it is not the invalidity but the validity of this connection that is proven; because where the disproportion is explained by economic failure, economic success and the right balance of effort and return obviously belong together. This is the contradictory thing about the "empiricism" in which the critics of the "labour theory of value" feel so strong: The enumeration of necessary deviations between "labor value" and price cannot prove their disparity in principle, because the correspondence of both quantities is assumed, namely as the normal case from which "deviation" is made. The contradiction of taking the "empirical" exception as a rebuttal of the rule without further ado testifies only to the

will not to accept the claimed rule and, taken seriously, means the anti-scientific rejection of any economic law of prices, their level and their movement.

b)

However, the attempts of modernization do not even affect classical, let alone Marxist, theory. With their "empiricism" they do not refer at all to the explanation of the commodity character of the goods produced and to the scientific deduction of the wealth measured in prices to objectified labour. With their references to a frequent discrepancy between paid price and "actual" value, they rather pretend as if their predecessors had wanted to determine the justified, true amount of each commodity price with the argument of labour expenditure and present a price list[4] - of which a Jevons can then triumphantly say that it is "seldom exactly" fulfilled.

This attitude to the cognitive efforts of the classics is a document of the fundamental decision not to get involved in scientific studies of the category "price" in the first place; but it has a second, almost tragicomic side. What they are running against is the idea of prices that are well-founded – in whatever way - by the production process; Menger explicitly equates "the quantities of labour used on the goods" with their "production costs". Here, however, they no longer polemicize against the theory they want to refute; they strive against an economic triviality that is neither a correct nor an inexperiential one, but not an explanation of anything at all, but the calculative practice of entrepreneurs and merchants: The costs must at least come in and a surplus too, otherwise the business has not been worthwhile, and the sale at an unrivalled low price is not made.[5] In this way, production costs are included in the setting of prices without any theory whatsoever; and the modernists also know this fact as the normality to which they always refer with their discoveries of numerous deviations - it is familiar to them in this way from the business calculation. But because they cannot distinguish it from the "labour theory of value" of the old, they would rather immediately deny the - conceptless - fact itself, the explanation of which they are so annoyed by, and do everything to

[4] The explanation of the prices from the labour that is embodied in the goods produced for exchange has nothing to do with a calculation of "true" prices from the hours worked or other presupposed quantities. The prices indeed already exist as a result of the competition between producers who want to realize their commodities; they really do not need to be recalculated by a price supervisory authority when it is only a matter of scientifically clarifying with what the producers are actually competing and getting rich - or not. And the "labour theory of value" knows nothing about the actually expended labour time of the producer necessarily being replaced in exchange for another product in which exactly the same amount of time is embodied - even if the friends of a socialist market economy, which already existed in the 19th century, would have liked to have brought out such consequences. It is precisely because labour time and nothing else counts as wealth that it only counts to the extent of the labour time necessary at the achieved standard of social productivity, in relation to productivity in other production spheres and in accordance with the social need, which asserts itself as the all-round effort to make as much money as possible out of one's own commodities and to pay the others if possible less than the minimum quantity of labour necessary for their product. Which price the "effort" is worth is precisely not determined by neutral arbitrators, but is fixed and also annulled by continuous competition; competition not for the gathering of useful goods, but for the result of social labour measured in money: for the value inherent in all goods, which is quantified in prices. - With this explanation of commodity prices, the scientific determination of a "true" price list - exactly what modern microeconomics constantly pretends to strive for in its "explanations" - is not only neither attempted nor achieved, but rather proven to be a thing of impossibility and a quite absurd undertaking. Precisely the economic laws of competition among commodity producers exclude the possibility of predicting the results!

[5] Taken as an explanation of commodity prices, this cost accounting is the pure circulus vitiosus: The prices (of sale) are determined by prices (of purchase). The prices of commodities consist of prices for machinery, raw materials and labour. Wages in turn consist of the prices of the food of the worker and his family, and these food prices in turn consist of prices for machines, raw materials and wages etc. around the circle.

present the prices, around which the whole "market economy" revolves, first of all as the most unfounded economic date conceivable at all, as a measure without any content and objective reason.

Thus Jevons fights against the word in which classical theory and also Marx have expressed the social reason of prices and their movement, the peculiar content of the wealth of commodity-producing societies. For him, "value" is an "ambiguous" and "unclear concept; the "misleading power of the term"

> "thus led to speak of such a nonentity as intrinsic value." "The only thorough remedy consists in substituting for the dangerous name *value* that one of three stated meanings which is intended in each case. In this work, therefore, I shall discontinue the use of the word value altogether." (Jevons)

Of course, this language hygiene is of no use to him at all, especially since he does not adhere to it himself at all. Jevons' attempt to show that the value is nothing more than an external relation of one product against another, that there can be no intrinsic value to the product, turns into pure self-refutation: So one should not

> "speak of such a nonentity as intrinsic value"; but "the word Value, so far as it can be correctly used, merely expresses the circumstance of its exchanging in a certain ratio for some other substance." (Jevons)

If the exchange ratio is purely random, then it is also not a characteristic of a commodity to exchange itself in a certain ratio; but if it is a characteristic that determines its "purchasing power" versus other commodities, then one would have to ask what this characteristic consists of, which, as Jevons also knows, must be different from its properties as use-value:

> "Thus it is scientifically incorrect to say that the value of the ton of iron *is* the ounce of gold… The more correct and safe expression is, that the value of the ton of iron is equal to the value of the ounce of gold…" (Jevons)

Here Jevons himself says correctly and aptly that gold and iron have value, which is different from gold and iron properties and which determines their exchange ratio to each other - only: What is this value? Jevons says it immediately afterwards:

> "Value in exchange expresses nothing but a ratio, and the term should not be used in any other sense." (Jevons)

Where Jevons moves from the appearance of exchange ratios to the interesting question of how it is determined, where he arrives at the statement of a "power" of the commodity, on which depends how much other commodity it buys, he goes back to the starting point: He sees a ratio - it must not be explained. Menger goes to work even more thoroughly. He denies the obvious: the equivalence of various useful goods realized in exchange, which Jevons at least acknowledges - and which had brought the old political economists to think that in an economy of commodity exchange the material wealth - value - would probably have to be determined somewhat differently than by the concrete goods as such. Menger thinks this is a mistake:

> "But this led to the unpredictable disadvantage for our science that researchers in the field of price phenomena focused on solving the problem of tracing the alleged equality between the two quantities of goods appearing in exchange to their causes... while such an 'equality of value' of two quantities of goods (an equality in the objective sense) does not exist in reality at all." (Menger)

Menger argues that if the goods exchanged were in fact equivalents, purchases and sales could be reversed at any time and with the same right,

> "whereas experience has shown that in such a case neither of the parties would normally agree to the cancellation of the transaction." (Menger)

The learned man really noticed that buyers and sellers always pursue conflicting interests: One wants to realize his commodity - dearly - the other wants for his money - cheaply – use-values; he has found out through diligent observation that both "counterparties" usually do not switch sides immediately after the transaction has been completed and carry out the same transaction in the opposite direction; and that is enough argument for him to deny the triviality that there is equivalence in the price demanded and in the amount of money given. He is acting as if the equivalence of exchanged goods had to be seen as such a nonsense of identity that a difference between buyer and seller could no longer be established and a completely pointless merry-go-round of exchange and re-exchange would have to be the rule; as if not exactly the economic equation of services and products that were not identical at all had made the old price theorists think.

c)

This sophism cannot be excused by stupidity; Menger wants to focus on a fundamentally new kind of problem for his discipline, which safely avoids critical thoughts about social wealth from the outset.

> "A correct theory of prices cannot therefore have the task of explaining that alleged 'objective' 'equivalence' between two qualities of goods which in reality does not exist anywhere, but must be aimed at showing how the concrete goods have a certain (subjective) value for each economic subject, how the relationship in which the individual goods stand in this subjective appreciation is very different, depending on the diversity of the economic situation of the particular economic individuals, how, furthermore, as a result of this circumstance, the basis for economic exchange operations between different persons arises and how, finally, in their quest to satisfy their needs as fully as possible, economic people are led to actually give up goods, and certain quantities of them, against each other. " (Menger)

A "correct price theory" must therefore first and foremost ascertain the uneconomic nature of its object, the unobjectivity of the measure of social wealth, which the - demanded and paid - prices are after all, by putting the most universally subjective, the individual's arbitrariness dependent on all kinds of circumstances, at the beginning of its considerations. Everything in the "market economy" revolves around the price - precisely for this reason it is by no means meant to mean anything for labour, which creates wealth, but, taken quite fundamentally, represents a free, unsubstantiated heart-flow of the people striving for satisfaction of needs, namely derives from their taste and appreciation. The polemic against the old "labour theory of value" is thus also elevated to the factual starting point of economic science and the programme is designed to derive the principles of commodity production from the desires of the people involved in it. In its most primitive elementary form, the apologetic lie that in capitalism, in principle, everything is done according to the wishes of those involved, is presented as if science had found its first and most fundamental object in this moral dogma.

Well, then nothing can go wrong anymore.

3. Market Economy - for the Benefit of Man: The Psychological "Derivation" of Exchange

The intention to derive prices and market-economy exchange from the subjective evaluations of the participants presents itself as a transition to psychology and also wants to be understood as such: Modern microeconomics aims at a "perfectly natural way of testing and proving, viz., the psychological" and

"investigate the motives which direct people in carrying on the business of exchange and in determining exchange prices on the one hand, and on the other hand which guide them in their co-operation in production." (Böhm-Bawerk)

a)

Now it is undoubtedly possible to find out which situation assessments and interests business people and wage earners develop in dealing with the "market economic" institutions and customs, which morals and which crude sorts of materialism fill their thoughts, how they fall for speculation or overtime as a "solution" to urgent financial problems, etc - when there is the production of commodities for the market, the all-round dependence on money and a system of prices for everything and everyone once. The other way round, however, nothing ever comes of it: The arts of civilized opportunism, which deliver the material to psychology, are not the reason for the conditions in which the various subjects have to prove themselves.[6] They allow a great deal of conclusions to be drawn - and thus prove that wages, price, profit and other beauties of modern commodity production are anything but the natural, appropriate instruments of an individuality completely at its own discretion.

In fact, the innovators of economic science do not even make the promised change of subject to an analysis of the subjective motives that motivate a contemporary to participate; to an examination, which is different from researching the matter, of what people think and expect when they participate in "market events" depending on their economic position. They certainly want to conduct political economy, in other words, they want to teach the reasons and laws for the known achievements, means and "practical constraints" of modern economic activity. Their reference to the rules of the exchangers is dictated and guided by the intention to "derive" exchange as the original need of man acting casually according to his very own values. This intention is the whole idea - and it is therefore a single circular conclusion of the most embarrassing kind.

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[6] Marx criticized Bailey for the mistake of equating economy and economic activity and the wrong pseudo-transition from the science of political economy to soul studies:

"'Whatever circumstances … act with assignable influence, whether mediately or immediately, on the mind in the interchange of commodities, may be considered as causes of value' (op. cit., pp. 182-83).

This in fact means nothing more than: the cause of the value of a commodity or of the fact that two commodities are equivalent are the circumstances which cause the seller, or perhaps both the buyer and the seller, to consider something to be the value or the equivalent of a commodity. The 'circumstances' which determine the value of a commodity are by no means further elucidated by being described as circumstances which influence the 'mind' of those engaging in exchange, as circumstances which, as such, likewise exist (or perhaps they do not, or perhaps they are incorrectly conceived) in the consciousness of those engaging in exchange.

These same circumstances (independent of the mind, but influencing it), which compel the producers to sell their products as commodities—circumstances which differentiate one form of social production from another—provide their products with an exchange-value which (also in their mind) is independent of their use-value. Their 'mind', their consciousness, may be completely ignorant of, unaware of the existence of, what in fact determines the value of their products or their products as values. They are placed in relationships which determine their thinking but they may not know it. Anyone can use money as money without necessarily understanding what money is... He [Bailey] transfers the problem into the sphere of consciousness, because his theory has got stuck." (Marx, Theories on Surplus Value, Part 3, Chapter XX, Section 3d)

"Man", who is driven to exchange, is constructed by the inventors of microeconomics with the aid of the trick of presenting a figure from the picture book of bartering, but as if bartering does not even exist yet, which at best produces such ridiculous creatures:[7]

> "Imagine that there is one trading body possessing only corn, and another possessing only beef. It is certain that, under these circumstances, a portion of the corn may be given in exchange for a portion of the beef with a considerable increase of utility." (Jevons)

Now it is clear from the outset with a "trading body" that it wants to exchange and thus wins; otherwise it would not have procured its grain quantities at all in such a one-sided way and overshooting quantity. So more extreme examples are needed to prove that basically everyone, no matter under what economic conditions he grew up, is a Jevonsian "trading body":

> "Let us now decide (!) that a hunter would have a large surplus of animal skins, i.e. fabrics for clothing, but only a very small supply of food, so that his need for clothing would be fully provided for, but his need for food would only be provided for in a very inadequate manner, while the opposite relationship would prevail for a farmer next to him." (Menger)

Really idyllic: Each of them needs something he doesn't have and has something he doesn't need; and this out of a whim of nature or a carelessness of one's own distribution of labour, because exchange should precisely be invented, production should not have been carried out in advance for exchange. What could be more obvious then than - to exchange?

With this downright silly reflection[8], the fathers of microeconomics want to have discovered and derived nothing less than the essence and the true content and purpose of exchange as such.

> "The above case in which the reciprocal transfer of goods of value to one of the two exchanging parties, i.e. without any economic sacrifice, can better satisfy the needs of the two than would be the case without such a transfer, is, however, suitable to bring the essence of that economic relationship to our consciousness in the most illuminating way. However, we would take a

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[7] About Jeremias Bentham, the often-quoted ancestor of the school of marginal utility, and his explanation of all circumstances from the principle of utility, Marx says:

> "To know what is useful for a dog, one must investigate the nature of dogs. This nature is not itself deducible from the principle of utility. Applying this to man, he that would judge all human acts, movements, relations, etc. according to the principle of utility would first have to deal with human nature in general, and then with human nature as historically modified in each epoch. Bentham does not trouble himself with this. With the dryest naïveté he assumes that the modern petty bourgeois, especially the English petty bourgeois, is the normal man. Whatever is useful to this peculiar kind of normal man, and to his world, is useful in and for itself. He applies this yardstick to the past, the present and the future. The Christian religion, for example, is 'useful', 'because it forbids in the name of religion the same faults that the penal code condemns in the name of the law'." (Marx, Capital Volume I, Chapter 24, Section 5)

[8] The power of this kind of argument owes as little to a consideration of the matter and as much to the procedure as to the fact that everything on which life and livelihood have ever been made dependent can be expressed as means of subsistence according to this pattern. For example, a microeconomist of the slave-owning society could come up with the following philanthropic considerations: The slave can only live if he does work for free for the master who bought him. What would be the situation of a slave whom the master could no longer use for work? Ergo: Slave labor is his means of subsistence - and if it did not already exist, it would have to be invented in the interest of slaves! On the other hand, it is nevertheless no coincidence that the apologists of capitalist exploitation were the first to fall for this convenient "argumentation" procedure. For the first time in this relation of production, the subsumption of people under exploitation interests and their means of power and institutions is accompanied by a full recognition of the sense of justice of the people used and can rely on their voluntary participation. The standpoint of ignorance vis-à-vis what they are taking part in here already justifies these conditions.

> much too narrow view of this relationship if we only wanted to limit it to those cases where a person has at his disposal quantities of a good that are greater than even his full needs…" (Menger)

The "essence of that economic relationship" is the stupidest compliment imaginable to exchange: With it, both sides are better off than before - if the interest of exchange partners has been attributed to them beforehand! And this "determination of essence" should not suffer at all from the additional reflection that many feel compelled to exchange without having a surplus, a possession beyond their needs: The idea of mutual advantage is broad enough to cope with any blackmail as a subset of the idyll of market economy.

> "Every person whose wish for a certain thing exceeds his wish for other things, acquires what he wants provided he can make a sufficient (!) sacrifice in other respects. No one is ever required to give what he more desires for what he less desires, so that perfect freedom of exchange must be to the advantage of all." (Jevons)

> "He who pays a high price must either have a very great need of that which he buys" (look at that!!), "or very little need of that which he pays for it; on either supposition there is gain by exchange. In questions of this sort there is but one rule which can be safely laid down, namely, that no one will buy a thing unless he expects advantage from the purchase; and perfect freedom of exchange, therefore, tends to the maximising of utility." (Jevons)

The pure fact of the exchange economy becomes proof of the usefulness of exchange and the correctness and conformity of prices with people's wishes. Exchange must be advantageous - would people otherwise exchange?

b)

In their circular "derivation" of exchange from its usefulness - for people who are underhandedly determined as character masks of exchange - modern economists refer quite freely to what they are familiar with from the market economy and its commercial transactions. On the one hand, they exploit the "matter of course" that useful goods are produced as private property, but not for the concrete needs of the proprietor, but for his business interests, which are only fulfilled in exchange on the market - or not. For commodity producers the principle applies - with exceptions... -, that they gain by selling their commodities; because this realizes the sole and only purpose that the commodities have for them. On the other hand, the naturalists of human exchange behaviour do not want to know anything about this very special determination of the purpose of commodities - and a production of private property for exchange. They present the matter as if there were still nothing else at all in the middle of the most modern exchange trade than the primal human need for useful goods, and as if there only constantly arises the complication that one wants what the other has, perhaps even has left. They pretend that the 100 pairs of shoes that the shoemaker produces each month are considered to be his means of consumption, but are of little use as such, because he needs at most a pair of them; so that he always gives them with advantage for the sausage, which he did not procure and which therefore enjoys his greatest appreciation. That the 99 pairs of shoes would also have been useful to the shoemaker as footwear, but unfortunately only little: this is the fiction with which the dogma is to be confirmed that in principle all those involved can only benefit from exchange and that this is its purpose and "essence". Unfortunately, this fiction "proves" actually a little too much, namely the advantageousness of every exchange; the shoemaker also wins when he gives up his monthly work for a sausage and only starves to death a week later. However, the utility theorists do not yet admit that production for exchange is something else than a rather one-sided individual satisfaction of needs and exchange as they know it, something other than a balance of useful goods between many private individuals who have gone far beyond their aim at work to meet their needs in an article.

Acknowledging that commodity production has its own specific purpose in exchange would mean acknowledging that general exchange does not have its reason and purpose in private needs as such, i.e. it simply emerges from the primal "motive" of satisfying needs.

The circular reasoning from the individual, which in the teaching of microeconomists naturally begins with the attributes of the exchange partner, to exchange as an intelligent, absolutely useful natural product of the individuals thus only comes about through a contradictory picture of exchange and of the exchange partner: Commodity production, as it is, is overheard the dependence of all parties involved on exchange as the supreme purpose of the whole matter; but it should precisely not be a matter of dependence on the market and the business purpose governing it, but rather of striving to satisfy one's own needs better with useful goods than these goods themselves could provide for their owner. And this calculation certainly works on the basis of the absurd idea of a rather small usefulness of the goods in private property which were actually not produced for one's own concrete use but for sale and thus indirectly as a means of purchase.

c)

The fathers of modern economics in any case are happy and proud of their results: the grandiose proof that the balance of plus and minus, of renunciation and profit, is always positive in exchange. As if they had examined the actual mode of production of their society and found only reason to rejoice, they reject any suspicion of overreaching or exploitation as the prevailing economic purpose and move towards a definition of economic activity that in principle leaves nothing more to be desired:

> "Needs are the last reason, the meaning which their satisfaction has for us, the last measure, ensuring their satisfaction the last goal of all human economy. The doctrine of needs is of fundamental importance for economics..." (Menger)

His British counterpart in other words:

> "Pleasure and pain are undoubtedly the ultimate objects of the Calculus of Economics. To satisfy our wants to the utmost with the least effort—to procure the greatest amount of what is desirable at the expense of the least that is undesirable—in other words, to maximise pleasure, is the problem of Economics." (Jevons)

The modern economics teachers are so sure about their idiotic idyll of the satisfied pursuit of utility as the "essence" of the economy that by definition they leave nothing else of those involved but the flat materialist:

> "Man wishes to enjoy his life and sets his life purpose to let his pleasure of life rise to the highest possible level." (Gossen)

However, this pleasure-loving being still has a long way to go in modern microeconomics. In providing this science with its object, exchange in its essential advantageousness, it has by no means done its duty. The ambition of microeconomists goes further. They want to see a good reason for the market in all its details in their construct; in particular the "explanation" of prices, which in their opinion the "labour theory of value" had failed to provide, namely a well-founded price list, which finally dispels the suspicion that there is somehow and possibly unjustly tampering with human labour. The free arbitrariness, to which prices and exchange have initially been attributed to, should prove to be a principle of economic calculation, i.e. calculable itself:

> "Human needs are not a product of arbitrariness, but are given by our nature and the situation in which we find ourselves." "The doctrine of needs (the knowledge and understanding of their nature) is of fundamental importance for economics and at the same time the bridge that leads

> from the natural sciences, especially biology, to the humanities in general and economics in particular." (Menger)

However, the new economists did not need to get involved in too difficult, possibly biological studies. Their question offers the advantage that it already contains the answer itself. The "doctrine of needs" is long available to them. Jevons tells us:

> "'But where,' the reader will perhaps ask, 'are your numerical data for estimating pleasures and pains in Political Economy?' I answer, that my numerical data are more abundant and precise than those possessed by any other science, but that we have not yet known how to employ them. …price lists…" (Jevons)

The derivation of prices from needs reveals itself here as the program to "conclude" circularly from price ratios to a correspondingly ordered structure of needs of economic mankind and to present it in such a way that it stands as a single sufficient good reason for all those price lists - including changes - that exist anyway. The actual market economy wants to be doubled into an internal "market" of needs, from which the market prices actually achieved emerge with the greatest consistency already because they and nothing else provide the material for the construction of the fictitious soul life of the "homo oeconomicus" of microeconomics.

4. The Mental Market and the Competition of Needs

a)

> "Value is therefore not only in its essence, but also in its measure of subjective nature. The goods always have 'value' for certain economic subjects, but only for such a determined value." (Menger)

Well, we know that now and remember it. But if "value" can only be spoken of once and for all in the sense of a subjective estimation, because according to microeconomic prescriptions in the middle of modern economic life only the point of view of the needy individual should count, which makes itself comfortable with its various preferences: What is then the point of asking for something as abstract as a measure of value at all? Again:

> "In all value of goods, therefore, we are only confronted by the importance we attribute … to satisfying our needs." (Menger)

A good is therefore worth as much as the satisfaction of the need it serves is worth to us. If this assurance itself is to have a value, then it lies in the clarification that there can be no question of a measure of value for various goods at all, because there are - at least - as many qualitatively completely different, incommensurable interests or wishes and corresponding values as various useful goods. The "meaning" which a person attributes to one of his needs and thus to the means of his satisfaction has in its entire content and quality nothing to do with that which he attaches to other preferences or practical necessities. If the subject is to come to its right with its "various concrete needs", then submission of its needs to a common measure is completely excluded. If one could take them at their word, the old microeconomists' pleas for the subjectivity of value would be something like a cultural-critical protest against money, which gives the colourful diversity of human needs and their various satisfactions a bare uniform measure in price.

But it is precisely not like this, that the "utility theorists" with their "subjective concept of value" would insist on the incompatibility of "value" in the sense of the particular subjective estimation and "value" in the sense of an economic unit of measurement levelling all differences - although their incantation of the subjective exploits nothing but this, familiar to everyone, incompatibility of both aspects. Where

they define "value" as a purely personal question of assessment, they want to justify the incompatible other, namely the abstract generality of the price to be measured in money:

> "In order to explain the difference in the magnitude of value of the individual goods, as we are able to observe them in life, to their last causes, our task will therefore be a double one. We will have to examine: firstly, to what extent the satisfaction of different concrete needs has a different meaning for people (subjective moment) and secondly which concrete satisfications of needs in each individual case depend on our disposal of a certain good (objective moment)." (Menger)

So, a cultural history of human needs and a comprehensive commodity knowledge to explain the level of prices? Precisely not. The incantation of "concrete needs" in their diversity and their "concrete satisfaction in each individual case" is dishonest; and the theoretical program that this opens up is a dizzying promise that is not intended to be kept - and by the way, can never be kept.

b)

How useful is a table? How great is the "importance" we attribute to the pleasure of a piano concert, a tram ride to work or daily satiation?

The "utility theory" rightly gives no answer to this - although it needs one; it helps itself to act as if it had it.

The question itself is absurd. Because rationally put, it inquires the purpose for which one needs the table or about the criterion according to which one divides one' s sparse means. It is just moving away from what can be measured and - if you like - is aimed at quality. The means can of course be judged by their purpose; perhaps a table is more useful than a chair if one wants to paint the ceiling, and owning a good car should be more satisfying than owning a bad one. It is precisely such distinctions in terms of the utility of a thing - and this is the only meaningful distinction that can be made in this respect - that only confirm that the services that a thing offers and the purposeful use that can be made of it are always a qualitative relationship between need and useful article. The inquiry as to whether and how much one is satisfied with one's bicycle or a concert evening or what is left to be desired is the very last question to be answered with a number and a unit of measurement for utility.

An answer of this very kind is postulated by the utility theorists. They want the impossible derivation of prices from appreciation, the quantitative measure of value from the useful qualities or the quality of utility for concrete purposes; they think of "utility" as a uniform dimension to be understood as a quantitative continuum, beyond all qualitative differences of human needs. This is the first step towards a "concrete", "empirical" price theory!

The fact that the utility of a thing for a need is incapable of real quantitative differentiation and determination - because each "better" or "worse" is always concretized in qualitative characteristics - has struck the microeconomists of the new kind as an interesting difficulty of their theory: They found it difficult to impossible to set up a unit of measurement for utility. This made the solution all the easier for them:

> "A unit of pleasure or of pain is difficult even to conceive; but it is the amount of these feelings which is continually prompting us to buying and selling, borrowing and lending, labouring and resting, producing and consuming; and it is from the quantitative effects of the feelings that we must estimate their comparative amounts." (Jevons)

The logic of this argument is breathtaking: It is true that the quantification of emotional life according to a uniform standard may not succeed; but that does not prevent this new science from taking all

economic activity as a pure reflection of abstract emotional quanta and all price and other conditions as an index for the "relative strength" of these quanta. Here the innovators of economics start with the promise to derive pricing from subjective assessments of utility, feelings of pleasure and suffering; but then it should not matter that one cannot think of anything at all, let alone a unit of measurement, in the abstraction of a quantifiable feeling of utility; because the shallow contemplation of economic life has long since presented all the conditions of a quantitative nature for whose exploration in the depths of human soul life science had allegedly departed:

> "I have granted that we can hardly form the conception of a unit of pleasure or pain, so that the numerical expression of quantities of feeling seems to be out of the question. But we only employ units of measurement in other things to facilitate the comparison of quantities; and if we can compare the quantities directly, we do not need the units. Now the mind of an individual is the balance which makes its own comparisons, and is the final judge of quantities of feeling." (Jevons)

As an empty methodical idea, the quantity is introduced which the utility theory wants to have discovered as the secret of all economic laws and of which it has its name: the nonsense of quantifiable utility at all. It is pretended that there is nothing more to differentiating quantitatively the need for a table from the need for a meal than a part or a multiple, i.e. to equate the quality of both. The same theorists who had accused the classical explanation of commodity value from the expended productive labour, as social treatment of the sources of material wealth, of "metaphysics", find it extremely lifelike to establish a deeper, actual utility in addition to the use of the bed for the need to sleep and that of a meal for hunger, in which bed and food would be the same, a utility that serves a need without purpose and content, the need for need satisfaction in well-measured quantitative portions.[9]

c)

What distinguishes useful goods as commodities: their abstract value, which makes them all quantitatively comparable with each other, i.e. qualitatively equal, this modern economic form determination now depends of all things on human consumption and its manifold consumption articles as such. To this abstract utility to which every actual utility of a thing for whatever need stands in relation of an only quantitatively differentiated subset, that is, to one's own fiction, the recognition that the utility theorists bestow on human materialism refers. In doing so, they have gained the

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[9] As far as the refutation of Marx is concerned here, it has always sufficed the bourgeois mind to counter the explanation of exchange value with the information that one can imagine the deduction of the equation of different goods as equivalent commodities realized in exchange to their reason: the abstract, i.e. purely quantitatively measured equality of the socially necessary labour objectified therein, only with difficulty or not at all, other things, however, very easily. An example of this is the old noble socialist G. B. Shaw:

> "…why is the process of reducing shoemaking and carpentry to abstract human labour by ignoring its specific character not also applied to the utility of shoes and tables?" Yeah, why not? Because the conclusion of the indifference of the particular content of labour in a mode of production in which everything depends on value has nothing to do with an arbitrary abstraction "process" that could also be applied to other matters. "Waive also their" (shoes and tables) "specific use as foot coverings and dinner supporters; and you have their" - yes what? Leather and wood! Not so the poet: "their abstract desirability, their common (!) property (?) of serving human needs". - how shoes and tables can still achieve this, considered independently of their "specific utility"? And why, if that was the point, should they be exchanged at all?! "This abstract desirability is the true basis, ground, substance, final cause, efficient cause - what you please - of value." (George Bernard Shaw, Bluffing the Value Theory (1889); according to J. Fetscher, Marxism: Its History in Documents, Volume II, Munich 1964; p. 216)

Not wanting to take note of what the explanation of elementary economic matters is supposed to be about: this has always proved to be a theoretical weapon against rebellious thinking.

theoretical means to falsify the triviality that people have needs and seek to satisfy them into an everlasting arithmetic problem that their theory claims to reconstruct.

This starts with Gossen's famous "laws" of utility:

> "Pleasure must be arranged in such a manner that the sum of pleasure of the entire life becomes the greatest." (Gossen)

So, in economics you can add up apples and pears; and you have to! Because from the freest relationship imaginable, pleasure, the world of commodities and prices is to be derived, pleasure becomes a difficult calculation program: Maximize your pleasure! This is not so easy, as Gossen's First Law tells us that the shallow principle of the treasure builder, who fills cellars and storehouses with all kinds of desirable utensils: More and more! is not sufficient:

> "The amount of one and the same pleasure diminishes continuously as we proceed with that pleasure without interruption, until satisfaction is reached." (Gossen)

As little as the means for a need represents a quantity of "utility", as little does it have a different degree of this magnitude in itself - as if the first piece of bread were "very bread", the next only "pretty much bread", etc. in decreasing intensity. All subquanta of a quantity of goods, when required for a need, have the same absolute utility for that need; if the need is satisfied, then "to proceed with that pleasure" will no longer provide any utility or pleasure at all. A diminishing degree of persistent utility is nonsense from the point of view of the need. This formulation alludes to the banal peculiarity of physiological needs, namely that a certain amount of food or drink is necessary to satisfy them, which can of course be counted and related to gradual saturation. The fact that one can have much or little hunger and thirst, however, has nothing to do with Gossen's absurd construction that needs are designed in such a way that, firstly, one can never get enough, but secondly, very gradually one indeed can. And this does even less make a difference in the use-values, as Jevons claims to have discovered:

> "We may state as a general law, that the degree of utility varies with the quantity of commodity, and ultimately decreases as that quantity increases." (Jevons)

If it is to be about food, then even an economist could think of the "law" that the need renews itself as digestion progresses, so the "degree of utility" increases as time passes … But it is pointless to argue with the utility teachers about the "concrete utility" whose analysis they have promised. By reminding of the difference in the urgency of a need, they want to fake the transition from human nature to a principle that they have not taken from thirst or any more cultivated interest, but from the equation that they want their theory to refer to. With the idea of a decreasing degree of utility depending on the available quantity of a good, they work their way up to the category of marginal utility: a paradoxical "magnitude" in which utility and abstention converge. Gossen's Second Law establishes that

> "A person who is free to choose between several pleasures, but whose time is not sufficient to proceed with them all, must, however different the absolute magnitude of the pleasures may be, in order to bring the sum of his pleasures to its greatest, before even pursuing the greatest one to the fullest, proceed with them all partially, in such a ratio that the magnitude of each pleasure remains the same for all at the moment when he stops to proceed with it." (Gossen)

The silly and already by uttering refuted question: What is more useful, table or bed? Gossen does not want to have asked himself. But quantified, depending on the degree of supply, the same nonsense should be rational: What's more useful, the seventh table or the fourth bed? This nonsense gets an appearance of plausibility only by alluding to a saturation process, which is under the dictates of lack of supply, so that the question arises of what is "more useful": the first sip of water or the last piece of

bread?! But even this construction is not true: If one has enough, then there is nothing at all to compare, and the bread "pleasure" does not compete at all with drinking; if one does not have enough, then one needs bread and water, and none can be replaced by the other in any proportion.

But that's exactly how Gossen wants it. Even without introducing the point of view of a deprivation, and beyond any justification as to why time should never suffice for pleasure, he constructs a natural competition of needs that would have to be brought to a happy balance according to the physical law of communicating vessels: All pleasures represent a contribution to "overall pleasure", the maximization of which requires a quantitatively balanced ratio of qualitatively different pleasures. A too much of one leads promptly to a too little of the other, which differs from the one only by a quantitatively different contribution to the total pleasure. As a result, if the economy of pleasure is poor, the overall utility may be less than it would have to. The overall utility is well balanced - and thus maximized - when the utility of the last subset of one good is equal to the utility of the subsets of all other consumed goods, so that there is simply no decision criterion for another additional subset of pleasure, because each use always provides the same utility. This utility of the last partial quantum is its marginal utility, and the balancing of marginal utility of all consumed goods is the principle of rational decision in the competition of needs, which modern microeconomics assumes to have been made:

> "The person may be conceived as successively expending small quantities of the commodity; now it is the inevitable tendency of human nature to choose that course which appears to offer the greatest advantage at the moment. Hence, when the person remains satisfied with the distribution he has made, it follows that no alteration would yield him more pleasure; which amounts to saying that an increment of commodity would yield exactly as much utility in one use as in another … We must, in other words, have the final degrees of utility in the two uses equal … The general result is that commodity, if consumed by a perfectly wise being, must be consumed with a maximum production of utility." (Jevons)

d)

At the beginning of his consideration, Jevons argues as if for his science the construction of the "natural" plan is now pending, according to which the human pursuit of utility flows into different channels. But underhand the perspective changes. What begins like a derivation turns into the self-satisfied statement that the task has already been solved: After all, people are already distributing their means; scientifically all that remains is to add the apologetic assurance that the distribution made is the work of their natural calculation of marginal utility and of nothing else. Now the practice that a person, before even "pursuing a pleasure to the fullest", renounces its completion and in turn devotes himself only partially and incompletely to other pleasures, is anything but a self-evident and "unavoidable pursuit of human nature". The certainty of the authors that it cannot be different only calls upon the accustomed and necessary exercise of abstention in a society in which for most the "time is not sufficient to fully proceed with them (pleasures) all" - and that is not, as the ambivalence of the wording even implies, because one can no longer possibly know when one should still enjoy even more, but because one is not at all able to work as long as one would have to with given wages in order to be able to acquire the already existing means of satisfaction.

However, this social "practical constraint" for abstaining and rationing oneself is no problem for modern microeconomists. They accept it so little as an objection to their construction that they do not even deny it. They refer to the reality of limited incomes, which forces a private "economy" of abstaining, as the entirely unquestionable empirical use case of their fictitious physics of marginal utility balancing, which praises abstaining as a means of increase and rationality of satisfying needs:

> "The theory thus represents the fact (!), that a person distributes his income in such a way as to equalise the utility of the final increments of all commodities consumed." (Jevons)

Now an abstention from existing means for satisfying needs, enforced by the shortage of money, does even through its universality not become a logic of internal competition of needs by far: In and for itself, a need and its satisfaction stand in no - not even a negative and competitive relationship to other needs. The formal consideration that one, when doing something, abstains from doing something else, is a reflection that is completely external to the matter; what the acting subject did not want and chose, it has not abstained from! If however, because of poverty, one has to abstain and choose between two desired satisfactions, then this abstinence never gains a moment of higher utility rationality simply because it falls into the free decision of the abstaining party: one satisfaction in any case is absent; through abstention from it there cannot arise any utility, through calculated abstention from it no utility maximization; and every practically taken consideration is and remains violence, precisely because it makes the incomparable an alternative. The market-economy morality does not, therefore, make true the microeconomic ideology that wants to see in it the actualization of the human-natural materialism it constructed.[10]

e)

Microeconomics now has everything together for the "conclusion" from the constructed, allegedly natural - reminiscent of capitalistically determined private life and drawing its appearance of plausibility from it - economy of abstention to commodity value: which is basically nothing else but a measure of the intensity of a perceived deficiency, a deprivation.

> "The value of a divisible commodity, if I may for a moment use the dangerous term, is measured, not, indeed, by its total utility, but by its final degree of utility, that is by the intensity of the need we have for more of it." (Jevons)

We feel the "need for more" because we still do not have enough of the divisible good. Therefore, one can also say "scarcity" if one only thinks of the right thing for it. Walras defines: "rareté" is

> "the intensity of the last need satisfied by the use of a determinate quantity of commodities." (Walras)

What there is enough of, therefore, has almost no value:

> "Many commodities which are most useful to us are esteemed and desired but little. We cannot live without water, and yet in ordinary circumstances we set no value on it. Why is this? Simply because we usually have so much of it that its final degree of utility is reduced nearly to zero." (Jevons)

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[10] With Menger, the moral character of this abstention calculation becomes clear: He develops a complete measure for abstention in a hierarchy of needs, of which the ones most needed to survive are the first to be satisfied, are supposed to enormously increase the utility, while the higher needs should reasonably only be satisfied when something remains. This wonderful logic seems to serve the "most complete satisfaction of our needs" to Menger, while it only recommends the plight of poverty to endure. At least it must be remembered that abstention presupposes the - at least in principle - existence of the means, because what does not exist is not being abstained from. But what exists - but not for certain people - is documented by exclusion from wealth. And the exploited are dealing with this in their own way, so that Menger's hierarchy of needs is nothing less than a description of the actual budgetary conduct - which economists often enough scourge as the unreasonableness of consumers, who are thus depriving themselves of the utility maximum. Because the unreasonable ones also know the opposite principle with the same right: to allow oneself something - and already be broke on the 15th of the month!

Other goods, on the other hand, are "scarce" enough so that there is a lack of them, which means that they have a value:

> "Speaking only of things which are transferable…, we find that two of the clearest definitions of value recognise utility and scarcity as the essential qualities. But the moment that we distinguish between the total utility of a mass of commodity and the degree of utility of different portions, we may say that it is scarcity which prevents the fall in the final degree of utility." (Jevons)

But when is a good scarce - and what does that even mean? If, as the modernisers of economics claim for themselves, one takes the "concrete" economic events into account and adheres to the perspective of the subjects who want to satisfy their needs, then "scarce" and "enough" are merely different expressions for "poor" and "rich"; and the interesting paradox would arise that some miserable figures dispose of enormous values in the piece of bread that leaves their most urgent hunger unsatisfied, while the owners of several villas indulge in a totally worthless luxury, because the "final degree of utility" of their living comfort is "reduced nearly to zero". From this point of view, however, it should be realised that - not in itself, but easily for others - affordable value of commodities is, on the contrary, the reason why they are often lacking and leave urgent needs unmet; so that the whole world of "subjective valuations" has its prerequisite and its objects in a fixed and finished world of economic facts and cannot possibly substantiate and produce them. So the founders of "subjective value theory" here let their subjectivism aside for once and make do with an "objective doctrine of scarcity" that is a mockery of all economic science:

> "For example, if we ask why a pound of drinking water is of no value to us under normal conditions, while a very small fraction of a pound of gold or diamonds is usually of very high value to us, the answer to this question arises from the following consideration.
>
> Diamonds and gold are so rare that the quantities of the first available to mankind as a whole could be stored in a box, the gold available to mankind, as a simple calculation teaches, in a single large room. Drinking water, on the other hand, is available in such large quantities on earth that it is hard to imagine a reservoir large enough to contain it. Accordingly, people can only satisfy the most important needs, the satisfaction of which is served by gold and diamonds, while they are usually not only able to completely satisfy their need for drinking water, but also miss out on very large quantities of this resource, because they are unable to consume all the quantity available to them. Under normal conditions, no human need for drinking water is so dependent on concrete quantities that it would have to remain unsatisfied provided that people were unable to dispose of this concrete quantity, while for gold and diamonds, even the tiniest of the needs met by the total quantity available are still of relatively high importance to economic people. Concrete quantities of drinking water are therefore generally of no value to economic people, but those of gold or diamonds are of high value." (Menger)

When would the amount of diamonds on the globe possibly be enough - after all, nobody wants to swig them - ? And what "relatively high importance" belongs to an unquenched hunger for gold, if one only thinks of the concrete needs, as a prerequisite, and not of the utility of gold, which only results from its recognition and use as the most general value equivalent? More revealing than the stupidities of this theory of scarcity, however, is that the utility theorist argues here with the needs of society as a whole, in which one good should prove to be scarce, the other to be abundant. In order to derive value formation from the subjective need and nothing else, this can only be regarded as an indiscriminate part of overall social demand. Of course, Menger makes himself the objection with which the "subjective" school has triumphed over the "objective value doctrine": In the desert, a sip

of water is easily worth a pound of gold. "For the ordinary living conditions", however, he would have liked to have seen it in such a way that the subject weighing up utility reproduces a very non-subjective quantity ratio in its preferences. The "subjective" standpoint of this value doctrine has nothing to do from the outset with the nature, scope and urgency of the unsatisfied needs, which are highly contradictory among the actual subjects of society.

Modern political economists are very much concerned with the "misunderstanding" that is suggested by the only apparently purely definitory progression from the subjective calculation of marginal utility to such seemingly objective determinations as "scarcity" or "rarity". It is true that "rareté" is always supposed to be translatable back into the "urgency of the unsatisfied need"; but the "magnitude", which is different for each individual and which cannot be objectified, which the subjectively felt deprivation would be, if taken seriously, the "urgency" is not supposed to be either; such subjectivism would be the end of all marginal utility theory. Its progression assumes as subjects of individual utility assessments nothing but indiscriminate economic participants, who with their naturally necessarily calculating psyche are from the beginning nothing more than character masks of a totally fictitious social average, a fraction of the overall social demand.

The "scarcities" that this microeconomic subject feels in his inner self really cannot but correspond to the quantities of commodities circulating in society and their exchange ratios! However, this circular conclusion still needs to be brought to an end, in such a way that it looks a bit like a scientific conclusion.

5. The Market Economy is as it is

a)

If the exchange of commodities takes place in a determinate proportion, then the marginal utility produced on both sides is equal; and if two partners want to achieve the same marginal utility with their commodity stock, then they exchange in a determinate proportion. For microeconomics, this circulus vitiosus inextricably ties together the world of its utility-theoretical fantasy structures with the plain facts of pricing. They simply inexorably assume that they are nothing else but the result of these.

The forefather of the discipline still pretends to be giving his science a problem to solve:

> "In order for the greatest of value to be created... after the exchange, each of the two objects must find itself distributed under A and B in such a way that the last atom which each receives from each of them creates equal value for both." (Gossen)

One would almost like to understand this as a question still: When is it like that, which commodities are concerned, etc. But it is already the answer: If there has been exchange, then by definition value maximization has happened.[11] Again in Swiss:

> "If there two commodities are given on a market, the maximum satisfaction of the needs (or the maximum of effective utility) for both commodity owners is reached, when the ratio of the urgencies of the last still satisfied needs, thus the ratio of the rarities is equal to the price. " –

[11] An example for the simple equation of expensive and useful offers Jevons:

> "Beef and mutton … differ so slightly, that people eat them almost indifferently. But the whole-sale price (!) of mutton, on an average, exceeds that of beef in the ratio of 9 to 8, and we must therefore conclude (!!) that people generally esteem mutton more than beef in this proportion, otherwise they would not buy the dearer meat. It follows (!!!) that the final degrees of utility of these meats are in this ratio…"

…so that wholesale prices cannot help but follow this ratio.

where price means precisely the quantity ratio of the two commodities realised in exchange. This still sounds almost as if Walras wanted this reflection to suggest the conclusion that under such circumstances market conditions and satisfaction of needs could at most coincidentally and exceptionally coincide. His continuation, however, "concludes" exactly the opposite:

> "As long as this equality is not reached, it remains advantageous for the owner of the commodity, whose rarity is lower than the product of its price and the rarity of the other commodity, to sell of this commodity in order to buy of the other commodity as long as its rarity is greater than the product of its price and the rarity of the first commodity." (Walras)

And because market participants are by definition doing what microeconomics defines as their advantage, the derivation ends up with the proud result:

> "The magnitude of one and the same pleasure decreases continuously as we proceed with the pleasure until saturation occurs at last." (Walras)

This "general price formula" still maintains the appearance that the commodity values were determined by a magnitude different from them - the "rarities"; and it is meant like that. With the expression "rareté", however, the alleged subjectively felt deprivation is already expressed in the object of need: as a measure of its availability. This is measured - trivially in a market economy - by the amount of other goods that have to be given for it; the exchange ratio between the commodity that one has and the other that he wants for it is the measure to which he has the desired commodity at his disposal, i.e. the measure of its "rarity"; and Walras' "rareté" has no other content at all. The theoretical hullabaloo of marginal utility of the co-founders of modern microeconomics is reduced to the same triviality: In any case, the postulated utility evaluation does not exist in any other way than in price lists, as Jevons already revealed. The objective content of the microeconomic "price formula" therefore consists in the "discovery" that the ratio in which the buyer by giving away his own commodity procures the desired one - thus the "rarity" of both commodities for itself "balances" - coincides with the price of the purchased commodity. There is only one thing wrong here: the idea that this was the determination of one magnitude by another. It is a tautology that does not determine anything at all, but merely repeats Walras' trivial "definition":

> "The prices or exchange value ratios are equal to the inverse ratios of the exchanged quantities of commodities." (Walras)

b)

The theory of marginal utility, the inexhaustible fountain of youth of modern microeconomics, is without any theoretical content; it doesn't even have a false one, but produces a lot of errors to arrive at the conclusion: The price is as high as it is.

What it achieves with its theoretical intricacies is the pure ideological appearance of an indisputable derivation of economic events from the all-round advantage and justly considered materialism of all participants. This appearance, of course, it also attaches to the economic "magnitude" which had played such an unpleasantly important role in classical political economy and whose antitheoretical "dismantling" was called for. Labour is theoretically completely finished in that it is calculated as a good given away: as subjective un-utility which, just as and to the same extent as an exchanged commodity, provides objects of private valuation:

> "Labour was the first price, the original purchase-money, that was paid for all things." (Jevons)

Thus, of course, it automatically falls under the apologetic marginal utility nonsense, according to which the unsurpassable usefulness of the labor efforts for the one who performs them is irrefutably proven simply by the fact that he performs them:

> "...it follows then that through labour we are able to increase the sum of our pleasure of life as long as the pleasure of what we create through labour is to be valued more highly than the discomfort caused by labour." (Gossen)

And how do "we" make this assessment? How does one compare labour and product? As usual: By deciding for labour or against the product, one has compared - by definition. Every actual labour, because one has decided for it, does not simply deliver its product and its utility, but more utility than it costs of un-utility. This incredibly beneficial inequation is extended to the marginal utility of the product and the marginal discomforts of labour - also by definition:

> "In order to obtain the greatest pleasure from life, man has to distribute his time and energy to proceeding with the various pleasures in such a way that the value of the last atom created for each pleasure is equal to the size of the discomfort that it would cause him if he created this atom at the last moment of force generation." (Gossen)

Conversely, marginal utilitarian materialism, which in the market economy is said to have created the outside world as its inner psychic world, in turn gets its equally pure ideological appearance appended to it that its satisfaction occurred precisely according to mathematically unambiguous, firm and irrevocable laws; the appreciative freedom of the calculating subject is attributed predictability.

With this double lie that its price lists and everything that follows from them are firstly useful and secondly indisputably necessary for their usefulness: With this, the "market economy" is nothing to be ashamed of. And such a beautiful ideology simply had to make a career.

III. Modern Microeconomics - Utility as a Methodical Problem or: From Subjective Value Theory to a "Theory of Consumer Behavior"

1. Modern against Old: The Freeing of the old "Household Theory" from its "Problems"

The "classical" utility theory regards the equation of the different physical bodies of commodities and the "means of exchange" money practiced in the exchange of commodities as a consequence of an identical evaluation by the subject, so that an objective quality, on the basis of which different quanta of commodities act as a measure for each other, is denied. In the term "subjective value theory" the contradiction of this theory is summarized: What economic science has to explain under the term "value", it considers as non-existent and transfers the economic quality, without which no equality between quanta of commodities would be achieved, into subjective need. The quantitative relation, which is always present in the exchange between commodities and money, therefore becomes an exquisite "problem" for this theory's further development. Modern theorists are far ahead of the critical minds in the ranks of modern economists, who with the question

> "How is the very different and changing meaning that consumers attribute to commodities to be quantified?" (W. Hoffmann)

would like to demonstrate the impossibility of a plausible measurement of that "attribution". They have long since stopped defending the old idea of abstract "utility atoms" - but not because they consider the dissolution of value into the "meaning that consumers attribute to commodities" to be nonsense. Science today is critical, even against itself, and considers the result of the misconceptions of its predecessors not to be wrong, but to be - too simple:

"It also seems obvious to associate the concept of utility with concepts such as well-being, happiness, satisfaction and, accordingly, to interpret the assumption of utility maximization as a rather simple psychological hypothesis. None of this is meant…" – however: "In older household theory, it has indeed been assumed that people's actions are motivated by the pursuit of maximum utility, whereby utility is to be understood as a psychological state, namely the state of achieved satisfaction of needs." And against that "we want" "to point to two problems of this behaviour hypothesis: Firstly, it presupposes that we must think of utility as a one-dimensional magnitude, because only then can we reasonably speak of the household striving for maximum satisfaction of needs" - what's a "problem" here, please? An "old" household theorist has precisely wanted to prove utility as the truth of the differently dimensioned needs - and that is a mistake, but never ever a question of neglected "dimensions" of "utility"! "Secondly, it presupposes that the household has complete and correct information on which goods contribute to the satisfaction of its needs and to what extent" - as if it would cause some classical utilitizer a "problem" to admit that his invented utility maximizers are constantly mistaken! (Böventer/John) "Even if it were possible to determine the utility intensity of the individual" - a modern economist is not like that at all and allows any nonsense to be negotiated with him in the subjunctive! -, "the problem of interpersonal utility comparison would still remain. The individual utility magnitudes would have to be reduced to a common denominator" (Woll) - as if this were still a problem once one has isolated the quantum of utility on the individual!

That's indeed a strange criticism: to enumerate the ancestors in their own discipline difficulties in the execution of their utility theory, in addition such, for whose circumvention or overcoming these have not missed any absurd auxiliary "hypothesis". In any case, the rejection of the classic utility theoretical error is not the point of its modern problematization. Insisting on the "unsolvable questions of old microeconomics" is only good for one thing - and can only be good for that -: In this way, the new doctrine announces itself as an alternative that allows the alleged or real difficulties in the execution of the conventional error to be circumvented from the outset. A utility theory of the household without the "concept of utility": this absurd goal is the declared program of renewed discipline. Prominent representatives of the discipline produce nonsensical sentences of the following calibre:

> "Instead of the attempt to measure utility in absolute units, it is asked whether a determinate level of utility is higher or lower than another, leaving open the absolute measure of different utility levels." (Woll)

The same gentleman who shortly before had not yet succeeded in determining the "utility intensity" and in discovering a common "denominator" for an "interpersonal utility comparison", now finds this difficulty solved by demanding a quantitative comparison (higher/lower) without a common measure.[12] According to the motto: That must be possible! (Between you and me: it is not.)

> "…to illustrate how we introduced the concept of utility: We have not said that the consumer prefers the bundle of goods x' to the bundle of goods x', because x has a greater utility for the household than x', but vice versa: because the household prefers x to x', we assign a greater number to x than x' and we call the assigned numbers the utility of the bundles of goods" - why such terminological misleading? Out of reverence towards the forefathers? "The assumption of utility maximization therefore does not imply at all the idea that the consumer

[12] That Woll here talks about the dispensability of an "absolute measure" would fall under the category of "malicious deception" would this way of reasoning not have long since become an integral part of bourgeois thinking. Instead of giving information about the commensurability of the utility of various goods, which Woll assumes with his talk of different "utility levels", he dispenses himself from this task with the remark that an "absolute measure" would not be necessary for that. All right: which "relative" measure did he apply then?

> chooses a determinate bundle of goods because he maximizes anything at all (!!) by choosing this bundle of goods." (Böventer/John)

That really is a great scientific achievement. Quite en passant, a modern economist realizes the error of subjective value theory, but only to excuse it and replace it with a terminological trick, an associated number; this is reasonably given the name "utility", which has long been assigned elsewhere, without the idea of utility still having anything to do with it. Because from the "simple psychological hypothesis" of the past, on the one hand, a critique is derived which, on the other hand, points to a complicated problem -

> "The main starting point of a critique of the marginal utility analysis is the problem of utility measurement." (Woll)

today's science commits itself to the "difficulty" –

> "For measuring, however, one needs a unit of measurement that could not be found so far and that is probably difficult to find." (Woll)

and promises remedy. In quantifying utility, it notices that the dissolution of value into utility is still afflicted with the odium to claim a quality of practical comparison of different commodities, which would provide the basis for measurement. So the decision is to abandon the idea of any content which the replacement of a number of commodities by a number of other commodities constantly proves as their commonality. However, with this the objective of the traditional utility theory is not rejected, but methodically maintained purely: That the subjects of exchange prefer the seven specimens of one type of commodity to the twelve of the other, should still apply - only without the incriminating idea of "anything" that would be "maximized" there! For this raises the vexatious question of the unit of measurement again, so that science has to refrain, in its own interest, from confronting this question and the criticism heard in it. A "quantity of goods" is decided upon whenever exchange happens: then one is finally rid of the memory of the object, the starting point of theoretical efforts and declares the search for the unit of measurement to be superfluous!

2. The Translation of the Economic Facts into an Absurd Problem: Purchase as a Decision

It sounds like self-irony when microeconomics admits why it has decided to revise the theorems that have been customary up to now:

> "From this question arose the conception of indifference curves." (Woll)

But by now, corrections are no longer made with arguments about the thing the theory is about. Anyone who is confronted with a "difficulty" in the initially striven for finding of a "cardinal utility measure" just avoids this difficulty by changing his "conception". The annoying contradiction is methodically eliminated by the scientist switching to another model that promises him any advantages in his attempt to fabricate an image of the economy,[13] so that the small deficiency of the new conception - "indifference curves cannot be empirically proven" (Woll) - is no longer relevant.

Nowadays the textbooks of microeconomics[14] create their objects. This seems to work quite harmlessly:

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[13] This approach has even produced a jargon of methodological self-reflection in economics: "The first step in building the model is to expediently specify... " - this is by no means constantly the case with Böventer alone in this discipline.

[14] Böventer/Munich respectively Schneider/Zurich respectively Schumann/Münster respectively Gahlen/Augsburg respectively Henrichsmeyer/Bonn respectively Fehl-Oberender/Marburg respectively

> "In this chapter we engage with ... a part of the economic decisions of the household." (Böventer/John)

For the time being, one may still think here of the actually existing households of German humanity - however, the misunderstanding that the "engagement" with their "economic decisions" wants to examine the economic facts with which such a household necessarily has to deal immediately undergoes a decisive correction:

> "The household is an economic entity that has needs that it can satisfy through the consumption of goods. It must demand the goods on the goods markets and pay a price for them. The purchase of consumer goods therefore presupposes that the household disposes of financial resources; since these are not unlimited, the household is also subject to limitations with regard to its possibilities of acquiring and consuming goods" - although "consumption limitations" in no way result from the fact that the income is " not un-", but for the mass of households very narrowly limited; but apart from that one would like to let this apparent elementary study of everyday life still pass at a place of scholarship. But what follows from this? "The central decision-making problem of the household is therefore to determine which goods it wants to buy in what quantities for consumption purposes." (Böventer/John)

With due respect to the microeconomist's compassion; but does he really want to rack his brains once again over the troubled housewife, who calculates her family's needs according to the small household allowance? Why does the science of shopping present itself with the "practical" consideration of what Schulzes, Meiers and Hubers buy and how much of it? Not to make an exemplarily frugal purchase in the nearest supermarket, but to make common sense aware of the topic that microeconomics wants to discuss when it is about exchange. It is about the "central decision-making problem of the household", whose criteria of solution this science explicitly names in order to abandon its treatment. Utility and its frugal maximization do not belong - because of its subjective imponderables - in a household theory:

> "The decision on this depends with given financial means on the one hand on its needs, on the other hand, however, on which judgement the household has formed about whether and how well the individual consumer goods are suitable for satisfying its needs. We will not investigate what these needs are and how they come about, nor will we look at how the household obtains and processes the information on which it relies when assessing goods." (Böventer/John)

Well, what now? One should deal with the "central decision-making problem of the household", but not with what its solution depends on (the "financial means" are anyway, the prices implicitly assumed as "given"!)? One should be interested in how much of which goods the household demands, but not in what it actually wants and what it thinks of the offers - not to mention prices and income?

As always in modern economics, the reader who tries to follow the thought presented sees himself perfectly fooled - the learned economist, however, has won his first "model" object. This is exactly what he wants to "analyse": The decision of the household about "how much of what" without knowing and even wanting to know "how much of what" he wants. So what's left then? For a still unsophisticated mind: just as much as in "The Emperor's New Clothes". For a scholar of the discipline - of course: the decision.

This transition deserves a closer appreciation.

Heimstädter/Mannheim..., all write exactly the same, but "use" their responsibility for education at the respective university locations quite economically for the guaranteed sale of their textbooks.

It has its basis and its model in the fundamental error of the old "subjective value theory" to put the determinacy of economic facts completely into the treatment of humans with them; as if the economic peculiarity of the act of purchase were to coincide with the buyer's desire for the goods purchased, the concept of money with the interest in its possession, the existence of prices with the fact that they are demanded and paid for, etc. This mistake bothers - as already demonstrated - a modern successor in that with "desire", "interest", " utility" and the like still alleged determinate objective contents are indicated as principles of economy: It is true that one no longer deals with money, prices and the commodity character of goods, but instead however with "utility atoms" that want to be completely objective. Speaking from the other side: Already old microeconomics successfully turned the scientific question "what is a price?" into the lapidary statement: "How much one must pay for a good", the question "what is money?" into the disarming stupidity "how much one can buy for it!", the question "what is buying?" into the totally unscientific "problem": "How much of what?". In short: To smash the investigation of the economic form determinations of social wealth by turning it, like in a puzzle, into the pointless question about the quantitative proportions in which money changes hands for commodities and commodities for money, that is the old, traditional swindle of microeconomics - with it, it has started at all. However, the old school still refers for its discussion of the quantitative conditions that are supposed to control demand to the fictitious qualitative relationship of the "desired utility"; and that's where the modernists find them backward. They want to be more radical there. They want to advance the analysis of "demand behavior" on the basis of the absurd abstraction that by dealing with the economic facts set for them, households would always have to overcome a decision-making problem with regard to money and the world of commodities - consistently disregarding the peculiarity of the economic facts with which they actually deal (these are assumed to be given after all!), as well as even the fiction of "utility at all" as the content and principle of their "decisions". Modernized household theory, without detour through the illusion that this would have got to the bottom of such "institutions" as money and price, wants to get a law of consumption out of the totally conceptless "problem": "how much of what?" And in this respect, it only uncompromisingly takes seriously the old idealistic plan of economics to distill from the practical position of the people to the market the so extraordinarily useful laws of the content and the objects of this activity - even against the wrong contents, which the inventors of the discipline had still ascribed to the economic activity.

The logic of this discipline is thus established: The abstraction carefully purified of any - even false - content "Decisions are made on the type and quantity of goods" functions as the first, fundamental content of the theory; from it, that is the programme, "laws" on the type and quantity of the requested goods are to be derived - a virgin birth is nothing compared to this plan to make the "fact" that "decision" takes place, the generator of laws of the quantitative result of "decision"! -; economic facts such as money, price, etc. have the chance to be considered in an appropriate place as a boundary condition, modification or specification of the "laws" of demand behavior. And in this respect, modern household theory, however much it rejects it, is still a theory of the economic objects commodity, price, money and buying/selling - namely a fundamentally wrong one. Because the one information about all these objects is already given: that their economic concept would lie in being nothing more and nothing less than certain to be simply accepted boundary conditions for the actual object of the theory and thus for the economic fact par excellence: the "decision-making problem" taken without content for itself. The "findings" of modern microeconomics about the modern consumer, it is already clear, are consequently based on the suggestive reference to nothing but trivialities: it has, of course, from the outset abandoned its claim to explain buying and instead provided itself the freedom to pass off the mere conceptless reminder of the economic peculiarities of this process as the weighty scientific exploration of "demand behavior" under certain conditions; that's why economics textbooks and lectures are all so childish. On the other hand, the reference to trivialities is always made with a

very strange intention of proof: with them the ominous main object "overcoming of decision-making problems" is built up, illustrated and the thereof woodshaped alleged laws are given the appearance of everyday self-evidence; that's why all of economics' childishness is so defamiliarized. Because exactly in this and in nothing else: in the defamiliarization of the daily known to a factor in a completely fictitious regularity, lies the whole scientific achievement of this discipline.

But back to the starting point: the "decision-making problem of the household". What does microeconomics make of this completely self-invented abstract "object", and how does it do that?

3. From the "Decision'' to the "Demand Function": The Determined Construction of an Appearance of Regularity under Abuse of Mathematics

How does microeconomics move from its starting point - the idea of a household decision-making problem without the real content that the conflict between the desire for consumption on the one hand and income and prices on the other hand actually has for every household - forward to a household theory?

a)

> "The first step in building the model is to expediently specify what choices are available to the subject at all." (Böventer/John)

The expression "specify what choices... " once taken verbatim, the economist would have opted for a contemporary commodity knowledge with the "first step" of his theory. Should he have indeed noticed that something like the ascertainment of the socially achieved product diversity is the only passably reasonable thing that can at most follow from his call to examine the "central decision-making problem of the household"? Of course not: what should a general stocktaking of the goods on offer in West Germany do for the "construction of the model"? The "specify what choices..." is meant differently, namely as the most imprecise thing a researcher can come up with on the subject of "buying":

> "Let us assume that there are n (that is precision!) different consumer goods in the economy, which the household includes in its consumption considerations. At the beginning of the period under consideration, the household creates a consumption plan; in such a consumption plan, the household defines which of the n goods it wants to consume in which quantities during this period." (Böventer/John)

That still sounds very trivial and, as far as trivial, still quite "practice-oriented": like an amply expanded explanation of the fact that people tend to make a list before making larger purchases. Microeconomics, however, is already looking at something quite different from such trivialities, namely its model; and its very little rational principles, it introduces under the appearance of the everyday. The intended transition is indicated by the following consideration, which - for this reason? - explicitly and insistently emphasizes its insignificance:

> Once it is determined "in which units of quantity the goods are to be measured and in which order they … are to be listed", "then each consumption plan can be represented by an ordered set of numbers - by a vector … illustration …: Let eggs be good 1, measured in pieces, bread be good 2, measured in kilograms, and wine be good 3, measured in liters. Then the two consumption plans can simply (?) be described by the vectors
>
> { 3, 1, 2 } and { 0, 4, ½ }.
>
> Note that when using the vector notation, that one must use the quantity specification '0' for goods that are not contained in a consumption plan, since otherwise one could not determine which goods are contained in the relevant consumption plan at all." (Böventer/John)

So by no means "simple" and "clear": even a microeconomist who is still reasonably sane in practical life would not note down his "household list" like that. Smuggled in, however, are two - indispensable for the "construction of the model" - fallacies: First, one should think that the consumer with each of his wishes sets himself in relation to all goods available at all, as if he had not merely noted down wishes, but had declared the entire rest of the social "shopping basket" to be uninteresting - "0". Secondly, one should imagine that the ratio of choice in which the household enters the world of purchasable goods is always and from the outset a quantitatively determined one in every position - and this is anything but self-evident at the "level" of "modeling" on which microeconomics finds itself here. Money - in its dual function as a limited sum in the hands of the buyer and as the price of the desired commodities, that is - shall not have been considered here at all as a limit to the consumer wishes of the household; the quantitative determinacy of the individual wishes is to be imagined so far as according to a cake recipe that specifies an exact measure for the various ingredients. But: what goes without saying for cake baking is anything but plausible for the consumer's attitude to all goods - especially when in the imagined "household list", written as a vector, in about 99.9 % of the positions the "quantity indication 0" would always have to appear. The idea that in a consumption plan determined, by themselves quantitatively limited individual needs are expressed - an idea that is still quite plausible for the ratio between eggs, bread and wine, but which microeconomics expressly rejects in the progress of its model construction; more on that later! - is used here underhand for the lie that already the not yet limited by price and income "consumption planning of the household" would consist in establishing the interest in all goods eligible for consumption in exact quantitative proportions. The phrase of the demanded "bundle of goods" wants to exploit the truth that a consumer can only use some goods in determinate quantities and can only afford a small portion of the entire world of commodities for the microeconomic dogma no. 1, that that fictitious "household list", which is only to find its limit on the "budget line" a few chapters later, would have to be determined from the outset as a quantitatively exactly defined position in the "space of goods":

> "Let us generalize our previous considerations for the case of n goods. Each consumption plan after defining the sequence and units of quantity of the goods can be represented by a vector
>
> $x = \{ x_1, x_2 \ldots X_n \}$" (Böventer/John)

In all seriousness, economics in its first, wrong speculation about the "decision-making problem of the household" wants to be appreciated as the mathematics of the n-dimensional " space of goods " (which it has kindly reduced to two dimensions in order to make it geometrically clearer for the needs of the model). The question is: what's the point?

b)

If you ask the economist, he doesn't want to have claimed anything great with his idea of a "bundle of goods". What is important to him is the possibility to turn his own construction upside down in the next step:

> "In the previous section we showed that each consumption plan can be described by a vector $x = \{ x_1, x_2 \ldots X_n \}$. In reversing the point of view (!), the question is now to (!) be asked which of the vectors or points in the space of goods should be counted among the alternatives between which the household can choose in its consumption planning." (Böventer/John)

The ordered "reversal of the point of view" is strange. The "choices" of the household so far have been said to consist of, and have led to, putting together a "bundle of goods" according to particular preference and thus climbing to a certain point in the n-dimensional space of goods - still aside from the question of whether one can afford this demand at all. Now, through a completely harmless "reversal" of the direction of view, the "choice" of the household is to refer to a completely new object:

to a multitude of "bundles of goods" already put together. A transition that is truly exemplary for the "logic" of economics as a whole. What moves the thought forward is apparently nothing more than a suggestion made with innocent expressions: "You can imagine it this way around too after all!" and always the appeal to the freedom of imagination carries a fallacy. In the present case: one should take the misconception that the household already enters with its consumption wish a quantitatively and proportionally determined relationship to all consumer goods of "its" national economy so seriously that it looks as if a consumer wish were actually a decision between many, alternatively proportioned and dimensioned consumer wishes.

And why after all, should one do that?

The question: "which of the vectors ... should be counted among the alternatives between which the household ... can choose", already reveals the purpose of the discussion: The previously erroneously excluded restriction of consumer wishes through income and price is to be introduced into the microeconomic model world as a highly lapidary distinction between the achievable and the unattainable "points in the space of goods". The mistake of imagining the consumption wish after the model of the cooking recipe as an independently of money quantitatively determined selection ratio of the household to the entire world of goods is thus not reversed, but ingeniously reconciled with the economic fact by which it would actually be refuted, namely with the hard truth of the purchase of commodities, that the decision to acquire a good implies exclusion from all the others. And microeconomics needs that mistake; for with the interpretation of the "household list" as a freedom of choice between alternative consumption plans, which only becomes acquainted with the restrictions of money and price afterwards, this science still has some intellectual great deeds in store.

c)

The idea that the desire for a "bundle of goods" can be understood scientifically as a selection from many different "bundles of goods", gained by merely "reversing the point of view", is in fact only an intermediate step, dedicated to the appearance of the triviality of the train of thought, to the insanity which matters in this science: What would in reality be available to the household and provide the basis for its "decision-making problem" would not only be a multitude, but an infinity of choice alternatives corresponding to the mathematical image of n-dimensional space. How important this radicalisation of its error is to microeconomics is made clear by its handling of the problem it believes it thereby has caught up with:

> "With regard to reality, however, the assumption is certainly problematic that we consider all consumption plans x, as long as the planned consumption quantities x_1, x_2 ... X_n do not assume negative real values, as possible consumption plans. This assumes that every good is continuously divisible, i.e. infinitely finely divisible. Now eggs, for example, are not divisible goods, and even goods that are very finely divisible, such as butter or flour, can often only be … purchased in certain quantities of packaging … However, the assumption of continuous divisibility of goods considerably eases the formal treatment of many problems of economic theory…" (Böventer/John)

One would gladly waive the economist's troubles of conscience regarding the divisibility of eggs - if he had not presented himself at the beginning of his model construction with the pretension of discussing the decision-making problems of the household. His postulate of the continuous divisibility of all goods shows how far he has moved away from these - although the joke is not the impossibility, problematised by himself, of asserting this postulate in the practice of purchasing. The origin of this "problem" is absurd: that one should imagine an infinity of alternatives, namely an infinity of the solidity of a mathematical space, as the object of a household's consumption decision. Once this is accepted, it is indeed silly to recall the unreality of this idea on the occasion of eggs and flour packages:

such objections are welcome to economics. Because to coquet from the point of view of the model with the hint that in reality it does not happen so mathematically exemplary of course: that is nothing more than the procedure firmly established in this science of immunizing its ideas against the "common sense" that it so often claims with a "view" of reality and to make the wrong conclusions that matter to it plausible - precisely as a mathematical borderline case that does not occur in reality. The principle of this coquettishly admitted unworldliness is madness: the interpretation of the "decision-making problem" of the household into an infinite continuum of choice alternatives in which all consumer goods should exist "bundled" in all mathematically possible quantities and proportions.

Microeconomics here again is not interested in proving its construction as the scientific concept of the purchase decision, but in the freedom for further construction that it has thus opened up.

d)

If - as the household theory goes on - the consumption plan can already be seen as a selection from a continuous infinity of alternative consumption plans, then one can also quite calmly assume that it is the result of a preference order that the household has made between all the alternatives that it can realize. If one recalls for a moment the starting point of the whole theory - the household should simply have written down what it thinks it needs - then the idea of a preference is far from logical. For this already presupposes a comparison and abstention: a desire for goods that is abandoned for the sake of the "bundle of goods" preferred. The idea of "preference" is also not improved by the fact that in the meantime with microeconomics one assumes prices and the limited resources of the household as a self-evident division of the "space of goods" into a realisable and an unrealisable department. Because bowing to such a limit and abstaining from the unaffordable is something quite different from awarding a "bundle of goods" the first prize in comparison with countless others. But this is exactly how one should now imagine the "consumer choice" of the household: as if the consideration "one could have chosen other goods or the same in a different proportion" was not the microeconomic commentary on the first presented household "list", but the consideration of the household itself, before it writes down its needs and then reaches its financial limits with these. The idea of a "preference order" of the household thus contains the assertion that the calculation of the consumer is not one that goes beyond the limits of what can be financed for him, which then bends to these limits, but a judgement independent of financial considerations as to how much he likes the one "bundle of goods" that he can afford in comparison to all the others. And this is a factually completely new idea compared to the previous wisdoms of microeconomics. For now one should no longer simply imagine that the household, with its consumer desires, places itself at all in a relation to the totality of the economic goods available, but one should understand this ratio of selection in such a way that the desires of the household for basically all goods - within the financial limits, but therein completely of their own accord, according to subjective preference - measure themselves against each other.

If modern microeconomics took this own idea objectively seriously,[15] then it would find itself in a fatal theoretical situation with its model construction. Because at this point it actually assumes exactly what

[15] In fact, it does not take it as a scientific assertion about an existing economic fact, but as a methodical postulate that is as necessary as it is harmless. Expressed as such, the dogma of the clear measurement of the most diverse "consumer desires" is called "assumption of transitivity" and is introduced as if it were nothing more than the mathematical law of an ordered set: "If $x < x' < x''$, then also $x < x''$ ... (etc.)" And once again therein lies the fraud: If the mathematical concept of order is to be applicable at all to the alleged alternative "consumer desires" of the household, then these are presupposed as merely quantitatively different sets of something qualitatively identical; otherwise, an act of preference, which could at best still be interpreted as the result of an unmeasured arbitrariness, could never be "transitive", i.e. the starting point of a clear, comprehensive hierarchy of preference.

it accuses its predecessors in the history of economics of being an essential defect: a common measure of all subjective desires and needs - however determined, at least thought to be practically effective - a principle of hierarchization of all conceivable consumer desires. So the return to the classic "utility atoms" after all?

"Expediently" modern microeconomics has set up its entire model building in such a way that it does not feel it has to admit this implication. In the idea of the "preference order" it uses the mathematical image that it has introduced with the "vector notation" for the consumer wishes of the household and the representation of economic goods as an n-dimensional space, as if the image were the thing. Quite simply because it can represent a preference order as a difference of points in the space of goods, it feels relieved of the necessity to state a content-wise principle of the preference order between consumer wishes. With its notion that it is nothing more than the task of arranging the various points of the space of goods at all - for which there are enough mathematical possibilities, starting with distancing from the zero point -, it kills every memory of the fact that with all its variously proportioned "bundles of goods" it claims to act on the consumer wishes of households after all. These are dissolved into the infinitely continuous totality of all quanta and proportions in which the n goods of an economy can be combined into "bundles" at all; and accordingly, the microeconomic view of its own idea of a "preference order" no longer needs to be brought more theoretically significantly into play than the task of a series of points in the homogeneous "space of goods".

e)

Until then, a result that is as nonsensical as it is - boring; thank God, the possibilities to continue speculating on the self-created mathematical image are far from exhausted. With the idea of a preference order for all "bundles of goods" affordable for a household, for the microeconomist, and quite casually in view of his construct of a continuous infinity of quantitatively and proportionally different combinations of goods, the complementary idea of an equally solid subset of "bundles of goods" has emerged, which would actually be just as dear and worth to the household as the one for which it should have decided in the end. On the one hand, this idea is by no means logical; because until now one should consider that the household with its preferences would enter into a quantitatively and proportionally precisely determined relationship to the entire world of commodities - which could be seen precisely from the fact that it gave preference to the "bundle of goods" that it

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The subsequent "discussion" of the empirical plausibility of this postulate confirms how unscrupulously modernized microeconomics here uses the despised "psychologism" of its predecessors: "If someone, asking about his preferences towards different types of fruit, replies that he prefers oranges to apples, apples to pears and pears to oranges, we find this answer contradictory…" (Böventer/John). The ordinariness of taste preferences in relation to very similar food products is self-evidently taken here for the theoretical assumption that all objects of human needs would have to be arranged clearly and "transitively" from the point of view of subjective preference - even the "alternative" apples or beer would have shown that without the pressure of financial restrictions even the sense of taste only considers very similar foods to be commensurable, so that it arrives at clear preferences; and what "rational" answer should one expect when asked whether one prefers apples, cycling or pillows and in which order? Using the example of fruit types, the modernized microeconomist here makes use of the "classical" idea of a common measure of all human needs in order to create the appearance of self-evidence for his "assumption of transitivity" without acknowledging this "psychologism". It almost seems like a red herring when the "problems" of this "assumption" are discovered somewhere completely different: For pages and pages, there is speculation about cases in which "intransitivities in the preference order could be considered quite normal"; this also initiated by the warning: "So it seems quite natural that the household theory is based on the assumption of transitivity. But one should never judge prematurely..." (Böventer/John).
It is always the same intellectual shabbiness with which this science brings about its progress: The microeconomic dogma to be introduced is presented as a mathematical postulate that is both expedient and impeccable, and its empirical plausibility is proven by the "problem awareness" with which one overcomes "difficulties" that arise or can be constructed solely on the basis of the dogma in question!

desired over all alternatives. On the other hand, the idea of an indifference of the household in relation to a multitude of differently composed "shopping baskets" is merely the logical consequence of the wrong principle of quantitative utility measurement, which the household theory so fervently rejects in the old representatives of the discipline, but has itself in practice assumed in the idea of a continuous preference order: That the desire for a good is measured - independently of all financial restrictions - by the desire for another good, this arch-error of "subjective value theory" is applied here with the greatest self-evidence in the thought instruction that there must be alternatives to every "household list" from which the household from its preferences actually would not know how to choose! Just as the criticized predecessors, modernized microeconomics also arrives at the absurd dogma: If a household desires x litres of wine, y eggs and z kilograms of bread, then it wants x plus Δx litres of wine, y minus Δy eggs and z kilograms of bread just as much - so: wine equals eggs, namely in the ratio Δx to Δy; or: the "individual utility" of wine is measured in eggs.[16]

There is, however, indeed a substantial difference between old and modern microeconomics; and it lies in the insolence with which this dogma is presented and exploited. The inventors of the discipline have treated it as an enormous discovery and devised all sorts of nonsense about an exactly quantifiable "utility at all" beyond all real satisfaction of needs in order to prove its unconditional validity. The modernists, on the other hand, introduce exactly the same error as a mathematical implication of their construction of a continuous "space of goods" and at the same time continually deny that they have thus assumed a uniform quantitative measure for the various needs of humanity: It should not be the measurement of *utility*, but it should be the *measurement* of utility! Where their predecessors speculated with "utility atoms", the modernists come up with all kinds of mathematical instructions on how to depict their dogma of "indifference" of the household in the n-dimensional space of goods - and with these instructions (complicated enough to arouse awe and suffocate further inquiries in the generally prevailing mathematical illiteracy) feel relieved of any account of the absurd content of their "indifference" thought.[17]

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[16] The student of economics remembers at this point the well-known circumstance that he often does not know enough in which proportion he should buy wine, bread and eggs for his lunch table. However, he should thereby not ignore that his indecisiveness in such a question proves nothing for the dogma of indifference in economics, on the contrary. First, a fluctuating appetite is different from proof of the quantitative equality of different pleasures. Where he - secondly - sees himself faced with an "either-or" and thus with a practical equality of his very different wishes, this has a reason in the financial impossibility of fulfilling both; Thus, one wish does not measure itself against another, but both are put into a relationship to each other only and only by the financial compulsion to abstain - precisely that of the "either-or".

[17] It is nothing more than a lame excuse when modern microeconomists at this point conjure up their scientific progress compared to the old and point out that they do not even want to see the comparison of utility carried out in certain quantitative units, but only at all: "It is no longer about the absolute ('cardinal') magnitude of utility, but rather about the relative ('ordinal') importance that individuals attribute to the goods of a certain quantity according to the rank scale of their preferences, i.e. about the 'more', 'less' or 'equal' in importance that they attribute to one unit of goods in relation to another." This is how Hofmann reports on this scientific progress. Firstly, the decisive deception is not that the goods are to be measured against each other by means of an "absolute" measure, but that the needs for them should be measured against each other at all and belong in their own order of priority - what is that supposed to mean: "I prefer Beethoven's sonatas to sausages"? Secondly, this measurement of different needs towards each other becomes rather "absolute" and "cardinal" at the latest when certain units of different goods are considered equally valuable: the absurdity of the equation "1 Beethoven sonata = 2 sausages" cannot be removed by the retreat to the "merely" "relative importance"! Today, however, modern microeconomists no longer see any problem in offering the paradox of their comparison itself as proof of its validity. A Mr. Schneider, for example, understands sufficiently little about physics to call upon it as an example: "Where the difficulties lie in measuring utility is best illustrated by the example of heat measurement. It is difficult (!) for us (!) to define heat." (Well, then he should consult a physics book! But no, he's trying to suggest the conventionality of paradoxes:) "Nevertheless (!) we are used to measuring the temperature," (perhaps because in the case of heat, quantitative differences are not a question

Accordingly, the microeconomic model construction is progressing undisturbed. By presupposing an equality of different proportions of quantities of goods - which is not determined in terms of content - within a continuous infinity of such combinations, it has acquired the freedom to postulate this "indifference" as a curve in the "space of goods" - thought in two dimensions for the sake of "simplicity" - and quite openly purely according to its own constructive needs: it should be a continuous, falling, convex curve without kink, which does not touch the coordinates! Nothing of all this is justified - how could it? -; as justification for the postulates drawn up, the naked reference to the model-theoretical great deeds that economics intends to accomplish with their help is sufficient:

> "We want to exclude … discontinuities because the consideration of discontinuities in the treatment of many important questions of microeconomic theory leads to difficult formal problems." (Böventer/John) – Well, in that case!

This entire construction is related to economic reality according to a pattern that is as simple as it is audacious: Where possible, analogies are drawn, for example:

> "A certain factual justification for the assumption of a convex course of the indifference curves lies in the generally plausible idea that the household prefers a well-balanced bundle of goods to a very one-sided bundle of goods." (Böventer/John)

- this should, mind you, be "generally plausible" after the instruction has been issued by "vector notation" to impute to the household a desire to consume all n goods of the national economy. When might such a "bundle of goods" be "balanced"? What sense, moreover, is there to speak of "balanced" and "one-sided" if the determination of the respective unit of quantity has been expressly declared an irrelevant convention? Is a bundle of goods with 1 piano and 1 litre of beer more one-sided or balanced than one with 1 tenth piano (continuously divisible!) and 3 hectolitres of beer? But one should not imagine a "bundle of goods" at all, but merely that the tendency towards "balance" is very plausible - and therefore "indifference" is a convex curve!

If the retrospection to the "plausibilities" of everyday economic life does not give such apparent analogies, the reference to the implausibility of the mathematical postulate does the same services:

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of definition, but the subject of experience? No, the "example" does not want to be taken that precisely - it should make an impression:) "for this we have 'thermometers'" (great!) "with 3 scales" (insane!) "at our disposal. Celsius, Reaumur and Fahrenheit" (the man is an expert!). And now: where is the "difficulty" that the good man wanted to make clear? Quittner-Bertolasi goes to work with even less ado: "Thus, a very special equation is obtained which allows the quantitative analysis of an extremely qualitative process without the qualities on both sides of the equation being somehow commensurable." An economist really cannot be more impudent in expressing his certainty that his audience will accept the economic irrationalism of comparing utility without being able to think of anything that is only halfway meaningful, or even to just be supposed to do so - simply because the whole tradition of the discipline is behind it. After all, the old sociologist Pareto has already been thinking ahead the fraud of the micro-economists of today: "We do not need … to know whether usefulness is a measurable quantity in the mathematical sense of the word or not, even less we need an exact measure of pleasure; knowledge of the indifference lines (!!) is sufficient." - As if the idea of an "indifference line" did not contain the prerequisite of a quantitative measure for any "pleasure" of a household, and as if any "indifference line" could be "known" without the absurdity being put into practice and "usefulness" of different "bundles of goods" having been measured! But the scientist's pleasure in the result presented is so great that he simply denies its prerequisites in order to be able to capture it as he wants to use it: "The only measurable quantities on which the consideration is based (!) are the commodities themselves." (Pareto) However, the search for an objective basis for the presented comparisons is still not completely extinct: An American, J. Fisher, has progressed from the ("failed") attempt to measure utility to the idea of measuring "wantability", using a unit of measure called "wantab"; the economists Neumann and Morgenstern eke out their existence quite economically by 'trying' to make "the preferences almost (sic!!!) numerical by more precise determination of the intervals in the preferences" (One cannot but wonder what they "determine" there). A science with a future!

then one has immediately made it clear once again that the model is a model and should inform about the economy, precisely without always having to do with economic actuality:

> "We want to … rule out discontinuities in preferences…" (etc., see above) "With regard to the empirical interpretability of our model, however, you should not overlook the fact that continuity of preferences can at best (!) be an approximation to reality." Even admissions of the following calibre are not a problem for a modern microeconomist: "This, of course, is quite a strange implication, as it is in stark contradiction to our everyday economic experience." - there is talk of the postulate that the indifference curve must not touch the coordinates of the "consumption space", which is shortened to two dimensions: as if the refutation of this idiocy were ever the content of an "everyday experience"! A noble purpose, however, only comes out more clearly if one does not let oneself be further disturbed in the pursuit of "stark contradictions" to "reality": "We will also firstly take this assumption as a basis, because it considerably simplifies … the analytical determination of the optimal consumption plan…" (Böventer/John) That is freedom of thought 1980 and the following!

One can see: household theory knows how to use the mistake that it first redefines its object into an n-dimensional mathematical space and from then on speculates further on this image. The only question is, once again and not yet for the last time: why is that?

f)

All mathematical requirements for the shape and course of the "indifference curves" are summarized in one concern: these things should be differentiable, so that their - negative, with increasing x decreasing - inclination can be determined exactly in every point. Although microeconomics with this has still not revealed any aspect according to which the desire for one component of the bundle of goods could provide the quantitative measure for the desire for another good - "Δx litres of wine are as desirable to the household as Δy eggs" is and remains a nonsensical phrase! -, but it has indeed postulated, "strictly mathematically", an exact ratio in which the replacement of one good by the other should equally fulfil the consumption plan of the household. And not only is this fictitious measurement ratio assumed to be exact; it also has the appreciable advantage of continuously changing with increasing x. Thus the two main "laws" of demand for goods, which the old "subjective value theory" has speculated from its idealization of the exchange of goods to the outcome of an arch-natural internal economy of utility of the needy subject, fall into the lap of modern microeconomics as if by itself: Goods are generally to be regarded as substitutable by each other, and the rate of substitution falls for each good with the increase in the quantitative disposal of the same - the good old pseudo law of falling marginal utility. With downright exemplary impertinence, microeconomics here draws the illusory conclusion - no longer from erroneous assumptions about human pleasure life to their economic activities, but vice versa -, which characterizes its modernization and actually constitutes its entire modernization, from the mathematical construction established solely for this purpose to an economic law of household demand:

> "If we give (the household) … a unit of quantity of good 1 and take away two units of quantity of good 2 from it at the same time, the household is as well off as before, because (!!!!) in this case it remains on the indifference curve running through x^0 … However, we can also interpret the average rate of substitution in another way (!) … (namely in such a way) that A accepts any exchange offer (!!) that requires less than two units of good 2 for an additional unit of good 1 … (etc.) … The interpretation of the content of this 'law'" (the assumption that "indifference curves must be convexly curved") "should no longer be difficult for you: The more a household already has of a certain good, the less it will be willing to give away from other goods for an additional unit of that good." (Böventer/John)

Thus, modern microeconomics obtains surreptitiously the economic "laws" that matter to it without having to give an account of their content and its justification. The mathematical laws of pure quantity are purposefully abused to give the old economic dogmas of the discipline a semblance of scientific justification without even getting involved in the discussion of any, even fictitious, economic facts at all.

f'

Probably because he likes the appearance of mathematical regularity so much, a modern microeconomist once again formulates this entire "derivation" as a utility function. Not even a little bit of additional or even apparent reason can be seen from this, but he probably thinks "better safe than sorry". He returns once again to his basic idea of a "preference order of the household", temporarily disregarding his instruction that this "order" should be regarded as a continuous sequence of "indifference curves", would like to have established a ranking order between individual "consumption plans" in varying numbers for the humane purpose of greater clarity alone - to return in the next moment to the idea of a continuous sequence of "preferences", so that their "order" can be grasped in the image of a functional equation; the whole thing is then called "utility function":

> "The assignment of certain real numbers to the individual consumption plans is now nothing more than a function $u = f(x) = f(x_1, x_2)$ that describes the preference order of the household. This function is called the utility function." (Böventer/John)

As a pure fantasy, the "preference order" is indeed very dependent on its increasingly "expedient description" by its lord and master. However, the new "descriptive tool" here, u = utility, now represents something different, depending on whether it is the simple numbering of consumption plans or the allocation of real quantities, whether merely enumerating or quantifying. On the one hand, the small u is merely intended to indicate that one consumption plan is preferred to another. It figures as a place number, and if in this function even the use of numbers is unnecessary - any other conventionally ordered little things such as letters or gold-silver-bronze would do the same service - the choice of determinate numerical values is even more arbitrary. As any economist feels urged to trombone, it makes no difference whether the "bundle of goods" preferred is assigned the number 2 as opposed to the one put aside with number 1 or whether 487 and -10 million are chosen. And that is why such a numbering is not worth any further thought - just as the original German term "Meier two" is not suitable for anything more or less than the indication that the association in question has to distinguish two members of this name.

If, on the other hand, the economist, as an "exemplary" law of this arbitrariness, then brings up a utility function such as $u = x_1 \cdot x_2$, he opens up mathematical possibilities that have nothing to do with the simple problem of the expedient designation of an order. The first possibility is to give a monument to his favourite technical error, i.e. to have an unnamed number in the functional equation on the left and the product of units of quantity on the right. Secondly, he can use numerical values for the quantities of goods: $x_1 = 2$ and $x_2 = 1$ according to Cocker yields $u = 2$; whereas $x_1' = 1$ and $x_2' = 3$ result in smooth $u' = 3$ - all quite cardinal sizes, which of course, because magnitudes are such in themselves, are also in an order relationship: 3 is as is known larger than 2. To take that as an expression of the preference relation $(x_1, x_2) = (x_1', x_2')$ is as cheap as it is ridiculous, insofar as this beautiful relation, probably because it stands behind it, neither occurs in the calculation mode for u, nor could it be consulted in its arrangement: $(x_1, x_2) \leq (x_1', x_2')$ now applies because of the different u's to be determined from the quantities of goods. And the economist exploits this cardinal character of his utility indices to the full, thirdly and henceforth, when he calculates with them as veritable quanta, i.e. sets up equations, forms the derivation, etc., and so on. - what would be the total differential of "Meier two"?

Every real number now introduces a u, so a certain quantity of utility that can be increased or decreased and maltreated with all the chicanes of quantity, precisely because this strange substance is conceived as an actual quantity, thereby also being measurable and measured.

The absurdity of the whole arrangement consists precisely in denying utility as a cardinal magnitude, yet wanting to compare it quantitatively, to construct an ordinal sequence of "bundles of goods" and in turn to treat them as a continuous function, i.e. to identify rank and measure as two things whose disparateness the modern microman never gets tired of assuring. The goal of his methodical efforts is the quantified utility together with the demonstration that there is no talk of measure and quantity - which is why it is still emphasized as an advantage and gain for intellectual honesty, that before as afterwards for the small u the yardstick is missing, and that it also cannot further disturb to add to all values another 10 on top.

The whole theoretical construction of the preference order proves to be true to its purpose, in fact, to see oneself "forced" to something like utility quanta only afterwards and to be able to wash one's hands in innocence because of it: The own scientific work consisted of avoiding dodgy hypotheses about the extent of the satisfaction of needs, etc., and yet with the small u a fully valid equivalent fell into one's lap. No surprise: On the one hand, in one's entire positivistic naivety, a discrete order of preferences is presented - the household arranges the consumption plans "according to its subjective appreciation in the form of a list" -, three "typical" respectively typically only three indifference curves are drawn on paper and then numbered, as is "appropriate". On the other hand, one endows these vivid constructs with strange mathematical postulates, which are contrary to the aroused conception - ever seen a continuous list? -, but all the better ensure that the whole ordinal invention is of the type of real numbers and therefore has all formal properties of measurable magnitudes. No, the new microeconomics does not need a "metaphysical concept of utility" because it is already pursuing metaphysics one step earlier in order to be able to present the desired fantasy of 'utility' in all its splendour as a razor-sharply deduced result.

g)

With the exception of one last step, microeconomics has now worked its way up to the semblance of mathematically determining a law of the volume and proportion of the "bundle of goods" desired and in demand by a household. After enriching the homogeneous n-dimensional "space of goods" which it invented with the idea of a "preference order", with the additional proviso that each "point in the space of goods " arranged according to preference was in fact an "indifference curve", which indicates the "substitution" i.e. the "willingness to exchange" of the household in relation to each of the desired goods at every conceivable supply level of the respective goods, the "budget line", which was initially only intended to separate the realisable from the unrealisable "consumption plans", takes on a new deeper meaning. The banal logic of abstention in a world of commodity prices and severely limited "monetary incomes" - namely: the satisfaction of a need requires an abstention elsewhere and in a proportion determined by the ratio of the respective prices given to the buyer - is, separated from its economic content known to everyone and "purified", first transformed into the mathematical image of a falling curve of the first order in the two-dimensional ("consumption") space; as a "budget" or "balance line", this image suggests a "factual law", according to which certain continuously changing proportions prevail between the quantities of different goods, quite beyond the logic of abstention, which is nevertheless set in the image there. The "argument" for the production of this thought lies - in its theoretical-strategic purpose. For with it, the fiction of an objective, purely arithmetical criterion of the "choice" to be made is added to the fiction of an infinite number of intertwined "indifference curves" (with which "the household" is supposed to have filled the economic " space " between which it now has to make its true and actual "purchase decision") that has been laboriously worked out so far. From then on, the "indifference curve" occupies the highest rank in the "preference order of the

household" - so the proud "discovery" of microeconomics - which has a tangent in the "budget line"; for the tangential point is the best of all "consumption plans".

This "discovery" suggests an objective content of shocking triviality. It leaves nothing more and nothing less to those who take note of it than the idea: with a given income and prices, the household buys its "shopping basket" together as it considers optimal. At the same time, modern microeconomics, as already mentioned, emphatically rejects any assumption that "considers optimal" may suggest a factual economic law for household purchasing decisions. The "preferences" of the household should not be decided according to an old-fashioned "utility-theoretical" point of view, but purely from the fact of the household decision as such;

> "The assumption of utility maximization therefore does not imply", see above, "at all the idea that the consumer chooses a determinate bundle of goods because he maximizes anything at all by choosing this bundle of goods.";

yes, a modern microeconomist even proudly points out as a seal of quality of his theory that it consists in the labouring of a self-constructed tautology:

> "This result, that the household always chooses the consumption plan with the highest utility," Böventer/John say without any hint of self-irony, "is not surprising, because it is simply the logical consequence of the way in which we have assigned the utility indices to the individual consumption plans." Duh!

So what is the bottom line? The enlightening insight: When a household buys its consumer goods together, it has, from a scientific point of view, bought from the totality of economic goods available the excerpt which it believes is best for a given income and price - with "best", however, for God's sake, one should think nothing more than that this "bundle of goods" has been given priority over all others. Proof: otherwise the household would have been better off with a different distribution of its "budget" - and then this would only have been its "optimal consumption plan"; but this is disproved by the fact of the decision. The same expressed as a compliment to one's own modelmaking art:

> "Now it pays off of course (!) that we have drawn the indifference curves hyperbolically: so there is always one and only one tangential point with the balance line." (Schneider)

Once again: what is the bottom line? A compliment to the tautologically achieved congruence of budget allocation and preference order at the "point" of the actual purchase decision; a compliment that does not even want to be meant as such, but only a self-praise of the model builder!

And for this result all the effort with at least seven errors of thought and the most outrageous abuse of mathematics - it serves the appearance of "precision" by presenting the exchange of commodities as a function - in the history of scientific spirit?

h)

No: not for that, of course. The obvious intention of the modern microeconomics of the household is not to communicate the banality that a household rations itself, but rather: to give this banality the appearance of containing the determining law of the demand for consumer goods through its development into a bombastic tautology of mathematical form, achieved with over half a dozen fallacies.

The particular folly of modern microeconomics lies in the fact that it does not merely refrain on one side from adding the appearance of an objective - anthropological, psychological or however crazy - foundation to the alleged law, but rather wants the logic of the self-constructed mathematical parable to speak for itself; on the other hand, with its "laws" it does not want to have uncovered the concept

of the elementary economic facts of exchange and money, as the despised "old ones" still had. When it summarizes the banality of the compulsion to ration oneself into the "law" that sounds taught:

> "However, since the marginal rate of substitution of good 2 by good 1 is equal to the absolute value of the slope of the indifference curve, the optimal consumption plan must meet the following condition:
>
> (2) $$\frac{dx_2}{dx_1} = \frac{p_1}{p_2}, \ldots$$
>
> Equation (2) means that the optimal consumption plan is characterized by the equality of the possibility and willingness of substitution." (Böventer/John),

then it doesn't even want to have gotten a wrong derivation of exchange and money - in the sense of a mediation of all different "optimal consumption plans" – off the ground. Such considerations, at least in form and claim still economic, are not its concern. All wisdom in household theory about the "tangential point between budget line and indifference curve" are getting at the idea that with it

> "with a given income and commodity prices, the optimal consumption plan is clearly determined"

and in fact, so clearly that from it can be "derived",

> "which goods and in what quantities the household will actually demand with given commodity prices and given income."

Microeconomics is now moving proudly to draw up a statement of the law on the quantities of goods demanded:

> "With the given preferential order of the household the optimal consumption quantities depend on the household income and the prices of goods, i.e. the demanded quantity of each good i is a function of the price of the good i, the prices of all (!) other goods as well as the income:
>
> (1) $$x_1 = f_1(p_1, p_2, \ldots p_n, E)$$
>
> $$x_2 = f_2(p_1, p_2, \ldots p_n, E)$$
>
> $$\vdots$$
>
> $$x_n = f_n(p_1, p_2, \ldots p_n, E)$$
>
> This function $x_1 = f_1(p_1, p_2, \ldots p_n, E)$ is called the general demand function for good i." (Böventer/John)

If modern microeconomics was concerned with the actual definition of anything, even if only with the extent of consumer demand in the "market economy", it could declare its efforts to have failed in the initial adverbial determination of circumstances "under the given preference order of the household" and turn to more meaningful activities; mathematics classes at secondary schools, for example. For it is not only that this "preference order" cannot be established empirically nor should it be established; not only that, see above, it is a fiction with which economics theoretically frees itself from the economic reality of household decisions; it itself introduced this fictitious thing into its model construction as a magnitude that should not be calculable from any objective criterion, but only results from the actual decision made - one should remember:

> "We have not said that the consumer prefers the bundle of goods x' to the bundle of goods x', because x has a greater utility for the household than x', but vice versa: because the household prefers x to x', we assign a greater number to x than x' and we call the assigned numbers (!) the utility of the bundles of goods." (Böventer/John)

But what should a mathematically beautiful "function" contribute to determining demand if the actual result of demand is one of the prerequisites of the function? The "general demand function" is, summarized in a formula, the whole enterprise of intellectual fraud of microeconomic household theory; the absurdity of an ex post prognosis which, one may turn it around as one wishes, is only suitable for one thing: to create the false appearance of predictability. Instead of being an aid to an actual calculation of economic facts, it is precisely the mathematical formula that fulfils the absurd purpose of representing this false appearance virtually in the flesh and thereby proving it; It is precisely in its obviousness that it serves as a surrogate for the scientific determination of the object, of which modern microeconomics wants to know nothing even more decisively than its forerunners from "subjective value theory".

i)

Against the "psychologism" of the past, with which economics still acknowledged and answered the question of the decisive factor in exchange, today's theory stands quite confidently. Finally, it has successfully completed its "strategy" of thinking and constructed a law of exchange that dispenses with all "annoying assumptions". One neither needs an economic characteristic of the commodities, which makes so meticulously calculated exchange objects out of harmless goods, nor is the individual utility estimation as a calculating stance to the world of use-values necessary in order to make the strange exchange relations plausible.

The law, which is presented in the guise of a function, now finally concerns an exchange without price and commodities which are no business article. The ideal of an economy of the "household", oriented towards use-value but not based on utility, makes use of mathematics - the techniques of a science that is supposed to guarantee precision. With the intention of bringing about an "advantageous" development of their own discipline, economists allow themselves long pages of borrowings from a science that is certain of the indisputability of its operations with indifferent quanta. From the fact that different commodities are considered equal in exchange, the geometric representation of a utility function can only be "derived" with the help of generously applied definitional art, in which the commodities march up as an infinite number of combinations of quantities and thereby behave completely indifferent to one another. The denial of any economic laws provides the basis for mathematically accurate juggling with geometric locations in which households move with their decisions. Microeconomics skillfully makes use of an "advantage" of the mathematical viewpoint - and its abuse of renowned mathematics, is nothing else than a method -, which results from the procedure itself. Precisely because the transformation of economic facts into equations or functions does not include all content-related determinations of exchange, the practical problems of economic subjects can be thought of so beautifully. With the greatest intellectual convenience, one can and should imagine to the budget line the calculations of people who ration themselves in the face of the world of commodities. And wisdoms of the following caliber:

> "Let a household dispose of a sum of money (c) for consumer spending in a determinate period of time. Insofar as it does not save or dissave, the consumption sum (c) and income (y) are identical. Consumer spending can be defined as the sum of the products of price and quantity of the purchased consumer goods…" –

with the full force of the conditionalis still casually lead to a "definition equation". The abstract sensuousness of numerical proportions, in which the quality necessary for a measure ratio is erased,

allows the teachers and students of microeconomics to present the "decisions" of buyers and sellers as households dealing with the assumptions of their textbooks. This is also a way of attesting that the economic subjects of capitalism do not know anything about the laws of their economy - but it is a way that, unlike Marx, at the same time as the invention of laws, congratulates the housekeepers subject to them on acting very rationally and that they could hardly have done better.

4. From the Nomology of Buying to the World Formula for Capitalist Competition

a)

When microeconomics has completed this introduction and gave shape to the fraud that economic life in capitalism was guided, seen "exemplary", ultimately according to the mathematics of n-dimensional space and certain tangential points ingeniously constructed into it, with equally long and nonsensical functional equations, whose power of persuasion should lie in its clarity of all things - only ordinate and abscissa remain of the n-dimensional "space of goods" for the time being! then everything is very easy from there. Functional equations with several variables have the mathematical peculiarity of being solvable for each variable - and modern microeconomists possess the necessary - let's say: impartiality, in order to turn each such resolution into a new piece of theory.

- Solved towards the variable E (like earnings), there is a mathematically very beautiful connection of the demanded quantities of goods with the income (one could almost have thought of something like this!), which can indeed never really be determined mathematically; however, it looks quite tremendously formulaically determined: one can even make a new curve out of it, think up alternatives for the 1st derivation and construct equations for the "income elasticity of demand".
- Solved towards the variable p (like price), the same harping on results, enriched by the additional beauty, that you get as many solutions as goods here, so n - that is certainly exact! -; because in memory of the n-dimensional space of goods, the "general demand function" immediately included all prices of goods in its equation.
- You can combine different derivations and write down very illustrative functional equations that look like a law about how the demand for a good - usually the beloved good i - changes when its price, another price and income change…
- Finally, one can enrich the demand function with the profound idea that leisure time is actually also a commodity that costs as much as it limits the household's labour income: This has nothing to do with the economic concept of wage labour, but can be entered in the function equation as T (like time) minus F (like free time), so that its solution to T-F results in a new curve again: the "labour supply curve", which clearly shows, for example, how "in our example" "with rising wage rates and the resulting increase in the 'price' of leisure time" (the quotation marks here are again the confident indication that the microeconomist is aware of the unworldliness of his interpretation of wages as a price of leisure time and one does not have to make anything of it for this reason alone!) "… the demand for good 1 is increasing and the demand for leisure time is decreasing." (Böventer/John) - this is the law of increasing diligence at increasing salary, empirically proven by every official bread scholar, isn't it?

Through all these overgrowths of household theory, man does not learn anything new about economic life - beyond the already widespread wisdom that somehow everything is connected with everything. And he cannot learn any more either, because it is nothing more than formal dissolutions of a functional equation that is not merely stupid in substance, but in principle cannot be provided with determinate values, which promote microeconomic model construction.

On the other hand, man is not supposed to learn more than just tautological transformations of this apparent equation: microeconomics itself draws attention to this by always placing all its continuations

under the "ceteris paribus clause", that is, with the proviso that any "new" law is only "valid" to the extent that it is postulated to be valid. After all, "ceteris paribus" expresses the fact that in a relationship in which as a prerequisite many conditions influence a result, only one of these conditions is to be taken into consideration as influencing: what else remains for this condition under such prerequisites than to actually exert influence in the sense of the prerequisite?! One can see why microeconomists are rightly so proud of their "c.p.": with it, and only with it, it is possible to let the appearance of predictability that has been achieved outgrow every economic object that they honour with their attention and include as an additional variable in their wonderfully complex and yet quite "exact" model inequation.

b)

The same mistakes that work so quickly in microeconomic household theory are of course also good for the "analysis" of the "behavior" of the second group of economic subjects in our overall model - the "enterprises", which have to provide for the - well what? correct: - supply of goods. Once again, the microeconomist fictitiously places himself in the position of his object and feels his way into its "decision-making problems" - again under the noble abstraction of any content and object of the actual decisions that an entrepreneur has to make, and even without appreciating their economic purpose. Just as the household decides on its "bundle of goods", so he lets the company decide on a combination of factors, in the next step appoints the decided combination to a selection from an infinity of possible combinations;[18] which of course has to be continuous again, so that one has again a mathematical

[18] With students, but also with lecturers of economics, one occasionally comes across the opinion that the assumptions and constructions of household and demand theory are indeed quite dubious, but that on the other hand they are not so important either; only the next departments, production and market theory, are more tangible. Now it is always stupid to comfort oneself over parts of a theory building that the science itself does not want to do without, with the prospect of more successful continuations; and this is all the more wrong in the case of a science whose "logic" consists only in the impertinence of imagining nonsense in a quite casual way, simply because this is expedient for achieving the goal of the "theory" - as if the "pious" intention of all things to write a whole textbook or to get through life as a microeconomist in the end made a clever insight out of all the false premises! But what is to be said about the rumour that the treatment of economic "decision-making problems" according to the mathematical laws of multidimensional space would be far less outrageous in the case of production theory than in household respectively utility theory - "Strictly speaking, there is such substitutability of goods to achieve the same success only in the case of production goods." (Hofmann) - ?
Now - notwithstanding the fact that this "strictly speaking" has not yet prevented any microeconomist from claiming "substitution" for consumer goods as well - what is "substitutability" supposed to mean here? If one really takes the standard example of a new, "more productive" machine only from the point of view of "production goods" and the labour determined by these, i.e. as a technical matter, then - of course! - one means of production has been replaced by a new one, but nothing else! The use of other "factors of production" such as the workers may be reduced for technical reasons - technically speaking, labour is not "replaced" by this, but has become qualitatively different, easier and more productive. The idea of a "substitution" of factors of production by others, especially of labour by machinery, aims at something else: at the aspect from which both are considered the same - because only in this way does the idea make sense that one takes the place of the other. However, this aspect cannot be found in the technical conditions and certainly not in the "production goods" as such - even the technically possible abolition of a labour activity has nothing to do with the substitution of labour. Respectively: it only has to do with this from the point of view of a comparison, for whose measures the qualitative difference between productive activity and means of production is irrelevant; i.e. from the point of view of business calculation, which takes into account labour activity and tools under the aspect of necessary expenses which is equally valid for both. In terms of costs indeed, but only in terms of costs, depending on the technical possibilities, one production factor can actually replace the other - there is no other way in which even one robot could "replace" an assembly line worker: that only results if the perfection of tools to the point of automation does not mean a relief of labour for the worker, but rather a lay-off.
Production goods as such cannot therefore be "substitutable" in any way - unless one now thinks again of replacing old machinery with new machinery, where this is trivial! - just as little as the pleasure of eggs is substitutable by that of piano music; but that is exactly what one should believe in production theory, so that it

space at one's disposal, into which one can think oneself continuous curves for the different, but equally profitable combination of factors of production, from which a "profit surface" results; and this is of course bent in such a way that the "marginal rates" of "factor substitution" at given purchase and sales prices indicate an optimum point somewhere to which corresponds a mathematically extremely satisfactory "production function". In the end, the matrices are one square metre in size - and thus illustrate two things in a highly impressive way: the suggestive reminder of the triviality that enterprises strive for a maximum of profit with a minimum of effort, and the mathematical appearance that in this effort they obeyed - exemplary, of course - a law that does not even have anything to do with business management accounting, but which looks as if it could be calculated exactly. So, one can also construct theories about capital and its composition, about profit and its usage, about the utility of commodity prices, and about the purpose of production, in which these economic objects only occur as possibilities to "interpret" the mathematical model "in terms of content"; thus from the outset not as the object of the explanation, but as highly expedient constructs that emerge from the ostensible mathematical logic of the model and help it forward. Of an explanation remains as bottom line - as with regard to commodities, price, purchase, money etc. in household theory - the most unworldly and eccentric ideological compliment that one can only make to these objects at all: they are excellently suited for exaggerating and finally solving the unsubstantial "decision-making problems," as whose executors microeconomics has prepared the capitalist enterprises for itself[19] - the model honors its components, and all together they praise their master.

c)

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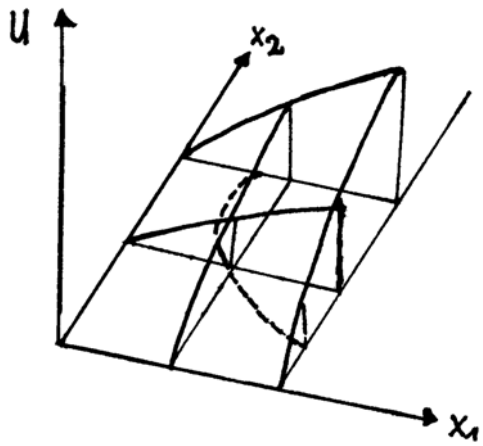
can construct the appearance of a factual law of its "profit surfaces" and the "production optimum" contained therein! And this is supposed to be "more tangible" science?

[19] Textbooks of microeconomics revel in graphs of the following kind:



This graph is intended to represent a "functional surface with cuts" and to illustrate the deep insight that and to what extent "utility" is a mathematical function of two or more goods, both in production and consumption. The peculiar thing is however, that there is no knowledge of the laws of production or consumption, which would be visualized by a neatly painted "surface". The "illustration" is already the whole microeconomic thought: The graphic represents the scientific achievement of theoretically replacing the economic facts of "consumption" and "production" with the decision to "show purely quantitative relationships between several quantities" - relationships, by the way, which should not even obey a certain functional equation, because it is only a matter of bringing the idea of a differentiable curve into play. Insofar as microeconomics produces any conclusions at all, these now refer to the graphic, i.e. to a "surface" to be constructed according to indeterminate equations and the cuts to be made therein in different directions and planes, the gradient and curvature of the curves thus constructable, etc. - and never again on such banal objects as consumption or production. That the mathematical model would depict their laws is an "interpretation" which joins as an unfounded assertion the progress of outrageous mathematical reasoning, which took the emancipation from all economic facts seriously right from the very beginning.

For this reason, demand and supply theory are still far from over. After all, the supply and demand curves still have to meet - it is no coincidence that microeconomics was already careful in its construction to ensure that one falls and the other rises: this way, an intersection cannot be avoided. "Interpreted in terms of content", this point means nothing less than the equilibrium, that of the market, where finally everything coincides with all things in a beautiful large equation. Thus, in purposefully abused mathematics one again has the obvious "proof" that the market is a coordination "mechanism"; and this proof makes the modern microeconomist so self-confident that he is no longer even slightly bothered by the old contradiction in the theory of marginal utility - the price determines supply and demand; at the same time supply and demand determine the price: this contradiction is proudly presented as a discovery. The market itself is tautological, and the price just appears on it twice in the opposite function: once as a means of information for the individuals who measure their "willingness to exchange" according to it; on the other hand as the result of the "willingness to exchange" with which the individuals enter the imaginary model market - it's just a matter of standing on one side or the other. And that can be learned in a few semesters! The scientific message is as simple as the corresponding functional equation is long anyway: the market is already great, and not just like that, but it is quite magnificent in that and how it meets the definitional demands of its interpreter, who is at home in the mathematics of n-dimensional space.

5. The Practical Utility of Microeconomics: A Philosophy of Meaning for Economic Life and in General

a)

The suggestion of the self-generated semblance of the predictability of the capitalist economy, which lets fall into oblivion that all established "laws" should only apply with the proviso: 'if one knew what one can't know because it only becomes apparent afterwards' - the "preference order of the household", for example; the illusion that capitalist competition and its vicissitudes have, in principle, been banished into a mathematical model formula that looks like a clear prognosis of their course; this encourages even sober microeconomists to be boundlessly enthusiastic about their scientific work. The object from which they started as scholars seems to them too small and insignificant for the size and deeper meaning of the madness which they have taken up on this occasion. Thus, in view of the marvel of economic equilibrium, an economist who does not answer to the name of Weise (German for "wise") by chance, even falls back to "value" - as a symbol for a rather metaphysical universal law, which ultimately prevails in the contexts conceived by him, but by no means only in these, but abundantly elementarily and fundamentally:

> "Values arise from the conflict between what is desirable and what is feasible."

A Mr. Hicks falls so in love with the absurd abstraction from which he lets his "analysis" of "demand behavior" take its starting point that he immediately declares it a mere "economic application case of the theory of order" and promises a new epoch of economics:

> "What began as an analysis of the choice of the consumer between consumer goods ends as a theory of economic choice as such. A unifying principle for economics as a whole is in sight."

And for a Mr. von Stackelberg, the blue blood is boiling when he imagines that, as an economist, he is actually dealing with far more noble things than the sordid needs of old Adam:

> "Not only needs in the old (?!) sense, but all conceivable (!) purposes of man and the human totality" (that too!) "can provide the basis for the various combinations of means. The theory of value expands to the pure (!) theory of purpose-means relations."

It must be quite uplifting for a microeconomist to suddenly discover the macrosopher in himself. The minimum he feels responsible for is information about the world order, as the one of which, and indeed according to its mathematical form quite outstanding, he wants to have discovered supply, demand and market:

> "One can design the various (economic) activities through a single plan from a central point, by means of command. The second possibility (!) of (!) coordination (!) is to bring the producers or groups of these based on the division of labour into a relationship by exchanging their products." (Fehl/Oberender)

This reasoning is beyond the examination of the real "central planned economy" or any division of labour on the basis of exchange, let alone the capitalist economy, on the question as to how "one" can "design" economic activities from the outset; and also with an analysis of the alternative possibilities of coordination, where coordination is really a problem and a concern, it has nothing to do - or have Fehl and Oberender already worked out a proposal for Krupp or Siemens on how "one" could bring the units "based on the division of labour" into a relationship by "exchanging their products", so that not everything has to be regulated "by a single plan from a central point by means of command"?

With phrases of this kind, microeconomics expressly and offensively professes itself as philosophical speculation about the meaning of economic life.

b)

This kind of philosophical finding of meaning always follows the same "logic": An alleged "basic problem", an actual "problem of all economic activity", is added to economic reality in all intellectual freedom - in Fehl/Oberender that of "coordination", just as if the capitalist economy "basically" had been established so ingeniously according to an expertise of coordination experts (at least old Adam Smith was more open and honest in his metaphysical irrationalism with his pious faith in the "invisible hand" that regulates market events!) -; the actually practiced economy is thus theoretically renamed into a possible solution of the aforementioned "basic problem".

"Conclusions" of this kind are never correct in their logical form alone: what does one know about a thing when it is determined as "a possibility to... "? The joke of such a "determination" lies precisely in the fact that it is to and should apply to completely different circumstances in exactly the same way; one does not even have to think about one's theoretical object, one must not even take into consideration its particularities, but one only has to think firmly of one's own prejudice about the imaginary last purpose of all considered facts. The "logic of possibility" applied here is thus solely suitable for allowing oneself any theoretical freedom vis-à-vis the allegedly examined object and to proceed quite arbitrarily in the attribution of the "function" as whose "carrier" one wants to have regarded the respective thing. Not only should it accomplish the same thing as something else, only better or worse: according to this procedure every invented abstraction, even every taste preference can be passed off as that which the object to be explained achieves. And this even with justifying reference to "practice", namely that one can see it absolutely and without great spiritual expenses in this way: Who could deny that man has to choose and make decisions when buying - so, according to the misconception, a theory of the decision-making problem that understands buying as its "possible solution" will be exactly the right thing! (This is how social scientists nowadays "derive" the law, the chancellor, the war and even science!)

On the other hand, of course, microeconomics does not want to allow every freedom with regard to its beautiful objects; the "logic" of arbitrariness in the theoretical determination of an object consequently always includes its limitation, for which of course there is no other "scientific" criterion than the consensus and tolerance of scientists. The conception, for example, that money is essentially

a possibility for the state authority to constantly extract the same thing from the pockets of its subjects, which can be seen in the payment of value-added tax in every act of purchase; or, appropriate to the philosophical level of microeconomic interpretations of meaning: the "thesis" that the economic "institutions" of this world were nothing but alternative "possibilities" of subjugating people and bowing them to the reign of materialism - such "critical" ideas about economic life are no more wrong (and no more correct) than the interpretations customary in economics and exactly follow their logic; however, they would not have a chance to add to the possible stock of faith of this discipline, if only because still every representative of the field would confuse them with Marxism. Opinions on the facts of the market economy must be good in principle; it must be an honourable "problem" that would be solved by it; otherwise the learned pharisees of economics are very promptly at hand with the judgment "too one-sided".

c)

The demanded "diversity" of the scientific interpretation of the meaning of the economy regularly comes back to the one age-old and ever-alike optimistic dogma about the true and "last" reason and purpose of "all economic activity": it would serve the "overcoming of the problem of scarcity".

Taken as a matter of principle as it is presented, this idea is as wrong as it is plausible to the bourgeois mind. Because that in every production there is afterwards a good that was not there before, and that this good might somehow be calculated on some need - who would deny that? However, not even this abstract connection is correctly determined if one interprets it as the constructive dealing with a "scarcity problem". This interpretation is nothing more than a call for a completely empty movement of thought: the very positive activity of deliberately referring to an imagined good and procuring or producing it for its intended purpose is to be brought closer to clarification solely by grasping it as a negation of its own negation.[20] Actually determined is thus nothing of all that which would require a determination: the specific nature of the need that is actually decisive for the production of goods and the conditions for its actualisation. Instead, the reference to the lack of its results remedied by economics, that children's dialectics of modern economic science, just as it should be for a scientific dogma, creates a semblance of explanation: The doctrine of the final economic things understands its "dialectical" manner as the fundamental peculiarity of its object and is sure to have reached its goal when it has awakened understanding for "the economy" from the point of view of the problem with which it would have to struggle with the "scarcity" of everything and everyone:

> "Central problems of our economy are thus the coping with the scarcity of goods, the making of decisions on the use of scarce goods and the institutions and coordination mechanisms for the coordination of decisions." (Böventer)

With its idea of "scarcity", as one can see, economics does not merely want to provide an interpretation of the material production process, but also the "last reason" of all procedures of modern economic life: for the social establishment and structure of the production process; that's the second thing. If one could assume a consciousness of the actual strategic purpose of their theory in

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[20] Marx has already criticized this kind of empty reasoning at a less advanced stage:

> "It has never occurred to the vulgar economist to make the simple reflection that every human action may be conceived as an 'abstinence' from its opposite. Eating is abstinence from fasting, walking is abstinence from standing still, working is abstinence from idling, idling is abstinence from working, etc. These gentlemen would do well to ponder occasionally over Spinoza's 'Determinatio est negatio'." (Marx, Capital Volume I, Chapter 24, Section 3)

Economics seems to have taken this advice to heart the other way around and is pleased to discover that this reasoning can also be applied to the objects of human activity: a new chair is for it the alleviation of a shortage of chairs, everything is the remedy of its absence - only whether each economics professor is exactly that which was just missing, might always remain controversial among the colleagues.

the representatives of this discipline, some cynicism and intellectual perfidy would have to be attested to this idea. With "our economy," it refers to a way of economic activity that for the vast majority of "ourselves" makes the scarcity of necessary goods the fundamental actual determinant of their economic existence. Every walk through a metropolitan shopping street, every look into the business section of a bourgeois newspaper, every state reception and every autumn maneuver provide information about the wealth that characterizes "our economy" - and at the same time about the how and the purpose of this wealth: In the case of the goods that can be considered at all, the price tag always provides practical proof that they are in any case not so easily created for individual consumption, but rather that satisfaction of needs is incorporated as a mere condition according to and subordinate to the point of view of business. The scarcity that actually exists in "our economy" for the majority of its subjects, conversely, always takes the form of a scarcity of money - and is therefore anything but a "central problem of our economy. In money, the possession of which means wealth, that is, the abundance of all goods for its owner, the non-possession of which means poverty, that is, the exclusion of existing goods, this economy has precisely emancipated itself from its natural requirements and turned them into a moment in the social property relations established within it. As is well known, these ensure that there is also a way for non-owners of money to obtain the same: precisely that of making themselves useful on the side of production for the requirements of a successful course of business. To make oneself useful for this, in turn, means to help accumulate the wealth of the other side and on the other side, vice versa, not to help oneself to accumulate means of money by acquiring one's own money. Thus, the productive use of human beings guarantees their ever-renewed - and at the same time always-reformed - poverty, just as, conversely, their poverty guarantees their ever-renewed usability. "Central" is the actual, namely the shortage of money in "our economy" indeed - just not as a "problem", but as firstly the other side and secondly the indispensable condition for its success: Useful poverty is the truth of "scarcity" that actually exists in capitalistically producing societies.

Compare this with the idea of economics to impute to capitalist economic life the coping with a "scarcity problem" given to it. This idea does not simply refer to completely different facts, but wants to uncover criteria and "logic" of this very economic system. In doing so, it does not even merely provide a false explanation of actual poverty: the success of this mode of economy itself, the "Wealth of Nations", which the founders of the discipline still appreciated as such and made into their theoretical object, economics in this way wants to make comprehensible from the point of view of an overall social, naturally predetermined poverty that is understood purely idealistically as a principle.

Accordingly, it is not economic facts to which economics refers to justify its position: in accordance with the metaphysical quality of its principle of explanation, it refers to nothing less than the finiteness of the world and thus of all "resources" on the one hand, and the ever more insatiable insatiability of human needs on the other. No professor of economics ever needs to add up the food and means of production plus the newly created ones on the one hand and on the other hand to have the world population fill in wish lists in order to reach the deplorable result: "It is not enough!" It is the excursion into the anthropology of homo oeconomicus, who has been prepared according to the needs of his theory, which trivially informs the enlightened economic philosopher with absolute certainty that needs inherently exclude their satisfaction.

Against this dogma the reminder does not help that needs always have a determinate, thus also quantitatively described content; that the appearance of their excessiveness arises solely from a false consideration of their permanent limitation; that capitalist practice in fact disproves this entire anthropological bullshit by creating new, unprecedented needs from business success as well as from the use of people; and what other clarifications of this kind would be. After all, the father of economic philosophical thought is not the investigation of anything whatsoever, but the single-minded will to

uncover a par excellence "tension relationship" in the human need, so that the dogma of (relative) scarcity seems to be quite well founded as the reason for all economic activity. And like all philosophy, this idea does not derive its power of persuasion from a convincing argument, but from the misunderstanding of a fact that actually proves exactly the opposite: It is precisely because the viewpoint of rationing oneself is so totally widespread in the capitalist economy that it poses so few difficulties, but rather it seems quite plausible to make use of it for the interpretation of capitalism as an economy of rationing oneself - for the pure ("platonic") idea of rationing oneself, i.e. for the theoretical ideal of the practical standpoint, this exactly makes no special difference![21]

However, the interpretation of the world as a shortage with which economics assures itself of scarcity as the basic problem of all economic activity, and its excursion into the associated anthropological speculation is also subordinate to its goal of proof in the form that a modern, enlightened economist familiar with the method of "functional thinking" is happy to provide proof if one only accepts its goal. As in every philosophy, the corruption of thought is sufficiently advanced in the microeconomic one that one claims validity for the "hypothesis" that scarcity rules the world, even without wanting to take responsibility for its validity, even if it is with false arguments. By admitting to wanting to believe, purely methodically for the sake of the functioning of theory, in the search for the best way of satisfying needs under bad conditions as the deeper and actual meaning of each and thus also of the capitalist economy, a modern economist finds all his apologetic conclusions justified - just like a theologian who proves his faith in God by saying that otherwise his entire catechism would become obsolete. The most important beliefs of the microeconomic catechism then emerge as if by themselves: Prices, commodity exchange, money, etc., every differentia specifica of the capitalist economy in general receives the praise of being just one of many possible but nevertheless a solution to the allegedly inevitable problem of distributing shortage. That the "problem-solving strategies" of capitalism always look good in comparison with the alternatives that a modern economist tends to think of here and which regularly reveal something about the fascist qualities of his economic imagination - the distribution commissioner, equipped with coercive force, is his most obvious alternative to market-economic freedom! -, no longer requires any special arguments: the alleged arch-dilemma of "all economic activity" has already been invented in such a way that there should be no doubt at all anymore about the suitability and advantageousness of the "silent coercion" of capitalist conditions.

d)

And that is already the whole practical utility of this science.

[21] In microeconomic basic and introductory courses, the ridiculous situation sometimes arises that students with their efforts to make themselves and others plausible from the standpoint of practical common sense at the narrow limits of their own wallet, the scarcity metaphysics of their teachers and textbooks, embarrassingly stab the aim of proof of the course in the back. In such a shallow form - "My money is scarce = all useful goods are scarce = money is a tool for dealing with the scarcity of goods" - the philosophical fallacy of economics does not always want to be seen.